

Union Calendar No. 601

96TH CONGRESS
2D SESSION

H. R. 7203

[Report No. 96-978]

To amend the Public Health Service Act to revise and extend the programs for the National Health Service Corps and to revise and extend the programs of assistance under titles VII and VIII of such Act for the education of health professions personnel, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 1980

Mr. WAXMAN (for himself, Mr. PREYER, Mr. MAGUIRE, Mr. WALGREN, Mr. LELAND, Mr. MURPHY of New York, and Mr. CARTER) introduced the following bill; which was referred to the Committee on Interstate and Foreign Commerce

MAY 15, 1980

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Public Health Service Act to revise and extend the programs for the National Health Service Corps and to revise and extend the programs of assistance under titles VII and VIII of such Act for the education of health professions personnel, and for other purposes.

5 SECTION 1. (a) This Act may be cited as the “Health
6 Professions Educational Assistance and Nurse Training
7 Amendments of 1980”.

TABLE OF CONTENTS

TITLE I—NATIONAL HEALTH SERVICE CORPS PROGRAMS

Sec. 102. Revision and extension of National Health Service Corps scholarship program.

PART A—CONSTRUCTION ASSISTANCE

PART B—STUDENT ASSISTANCE

PART C—INSTITUTIONAL SUPPORT

Sec. 212. Grant requirements.

PART D—PROJECT GRANTS AND CONTRACTS

Sec. 215. Departments of family medicine.

Sec. 216. Area health education centers.

Sec. 217. Physician assistants and dental auxiliaries.

Sec. 218. General internal medicine and general pediatrics.

Sec. 219. Family medicine and general practice of dentistry.

Sec. 220. Assistance to individuals from disadvantaged backgrounds.

Sec. 221. Start-up, financial distress, conversion, and curriculum grants.

PART E—PUBLIC HEALTH PERSONNEL

Sec. 230. Institutional support, traineeships, and other programs.

Sec. 231. Study.

PART F—ALLIED HEALTH PERSONNEL

Sec. 235. Project grants.

Sec. 236. Traineeships.

Sec. 237. Assistance to disadvantaged individuals.

Sec. 238. Definition.

TITLE III—NURSE TRAINING

Sec. 301. Construction.

Sec. 302. Institutional support.

Sec. 303. Special projects.

Sec. 304. Advanced nurse training.

Sec. 305. Nurse practitioner programs.

Sec. 306. Traineeships.

Sec. 307. Nurse anesthetists.

Sec. 308. Student loans.

Sec. 309. Scholarships.

Sec. 310. Technical.

TITLE IV—GRADUATE MEDICAL EDUCATION NATIONAL ADVISORY
COMMITTEE

Sec. 401. Graduate Medical Education National Advisory Committee.

CMS Library
C2-07-13
7500 Security Blvd.
Baltimore, Maryland 21244

1 TITLE I—NATIONAL HEALTH SERVICE CORPS
2 PROGRAMS

3 REVISION AND EXTENSION OF NATIONAL HEALTH
4 SERVICE CORPS

5 SEC. 101. (a)(1) Section 331(a)(1) (42 U.S.C.
6 254d(a)(1)) is amended to read as follows: “(1) shall consist
7 of—

8 “(A) such officers of the Regular and Reserve
9 Corps of the Service as the Secretary may designate,

10 “(B) such civilian employees of the United States
11 as the Secretary may appoint, and

12 “(C) such other individuals who are not employ-
13 ees of the United States ~~and who the Secretary has~~
14 ~~designated under section 752(b)(4) to serve in health~~
15 ~~manpower shortage areas as members of the Corps to~~
16 ~~satisfy the service obligation described in section~~
17 ~~751(f)(1)(B)(iv),~~

18 (such officers, employees, and individuals hereinafter in this
19 subpart referred to as ‘Corps members’), and”.

20 (2)(A) Section 331(d)(1) is amended by inserting after
21 “each member of the Corps” the following: “(other than a
22 member described in subsection (a)(1)(C))”.

23 (B) Section 331(d) is amended by adding at the end the
24 following:

1 “(3) A member of the Corps described in subparagraph
2 (C) of subsection (a)(1) shall when assigned to an entity under
3 section 333 be subject to the personnel system of such entity,
4 except that such member shall be entitled to receive during
5 the period of assignment the income that the member would
6 be entitled to receive if the member was a member of the
7 Corps described in subparagraph (B) of such subsection.”.

8 (3) Section 331(h)(1) is amended by striking out “, Edu-
9 cation, and Welfare” and inserting in lieu thereof “and
10 Human Services”.

11 (4) *Section 331 is amended by redesignating subsec-*
12 *tions (g) and (h) as subsections (h) and (i), respectively, and*
13 *by adding after subsection (f) the following new subsection:*

14 “(g)(1) *The Secretary shall, by rule, prescribe conver-*
15 *sion provisions applicable to any individual who, within a*
16 *year after completion of service as a member of the Corps*
17 *described in subsection (a)(1)(C), becomes a commissioned*
18 *officer in the Regular or Reserve Corps of the Service.*

19 “(2) *The rules prescribed under paragraph (1) shall*
20 *provide that in applying the appropriate provisions of this*
21 *Act which relate to retirement, any individual who becomes*
22 *such an officer shall be entitled to have credit for any period*
23 *of service as a member of the Corp described in subsection*
24 *(a)(1)(C).”.*

1 (b)(1) Section 332(e) is amended by adding after para-
2 graph (3) the following new paragraph:

3 “(4) Comments of the appropriate health profes-
4 sions societies in the area respecting the designation of
5 the area. The Secretary shall give written notice of a
6 proposed designation of an area to the appropriate
7 health professions societies in the area and shall permit
8 the societies to submit comments during the 90-day
9 period beginning on the date of such notice.”.

10 (b)(1)(A) Section 332(a)(1) (42 U.S.C. 254e(1)) is
11 amended by striking out “which the Secretary determines”
12 each place it occurs and inserting in lieu thereof “which as
13 determined under this section”.

14 (B) Section 332(c) is amended to read as follows:

15 “(c)(1) The Secretary shall refer a proposed designation
16 of an area, population group, or facility (other than a Feder-
17 al medical facility) to each health systems agency for a
18 health service area which includes such area, group, or facili-
19 ty or if such an area, group, or facility is in a health service
20 area for which a health systems agency has not been desig-
21 nated, to the State health planning and development agency
22 for the State in which the area, group, or facility is located.
23 Each health systems agency and State health planning and
24 development agency to which a proposed designation has been
25 referred shall be given a reasonable period to review the des-

1 ignation and approve or disapprove the designation. In
2 making such a review the agency shall consider—

3 “(A) the criteria established under subsection (b),

4 “(B) the recommendation of the Governor of each
5 State in which the area, population, or facility under
6 consideration for designation is in whole or part
7 located,

8 “(C) the comments of all interested persons and
9 the comments of the appropriate health professions soci-
10 eties in such area or whose members serve such popu-
11 lation or facility, and

12 “(D) the extent to which individuals who are (i)
13 residents of the area, members of the population group,
14 or patients in the facility, and (ii) entitled to have pay-
15 ments made for medical services under title XVIII or
16 XIX of the Social Security Act, cannot obtain such
17 services because of suspension of physicians from the
18 programs under such titles.

19 The reviewing agency shall give written notice to health pro-
20 fessions societies described in subparagraph (C) of the review
21 of a proposed designation, and the societies shall be permitted
22 to submit their comments on a proposed designation to the
23 reviewing agency during the 90-day period beginning on the
24 date the agency notifies it of the review of the proposed desig-
25 nation.

1 “(2) Upon completion of its review of a proposed desig-
2 nation, the reviewing agency shall approve or disapprove the
3 designation and submit to the Secretary a detailed statement
4 in writing of the reasons for its decision. If an agency ap-
5 proves a proposed designation, the Secretary shall, within the
6 60-day period beginning on the date the Secretary receives
7 the decision of the agency, make the designation unless the
8 Secretary, within such period, determines the decision of the
9 agency is not supported by the criteria established under sub-
10 section (b) and the other matters considered by the agency in
11 making its decision and submits to the agency a detailed
12 statement of the reasons for such determination. If an agency
13 disapproves a proposed designation, the Secretary may not
14 make the designation unless the Secretary, within the 60-day
15 period beginning on the date the Secretary receives the deci-
16 sion of the agency, determines the decision of the agency is
17 not supported by the criteria established under subsection (b)
18 and the other matters considered by the agency in making its
19 decision and submits to the agency a detailed statement of the
20 reasons for such determination.”.

21 (C) Section 332(d) is amended by adding at the end the
22 following: “The revision of a designation shall be subject to
23 the same review and approval and disapproval by health sys-
24 tems agencies and State health planning and development
25 agencies as is prescribed by subsection (c) for designations.”.

1 (D) Section 332(g) is amended by inserting “or the re-
2 vision of a health manpower shortage area” immediately
3 before the period.

4 (E) The amendments made by this paragraph shall take
5 effect one year after the date of the enactment of this Act.

6 (2)(A) Section 333(b) is amended by adding at the end
7 the following: “Each health systems agency and State health
8 planning and development agency shall in conducting its
9 review under this subsection of an application consider com-
10 ments submitted to the Secretary under subsection (c)(4) re-
11 specting such application.”.

12 (B) Section 333(c) is amended by adding after paragraph
13 (4) the following: “At least 90 days before approving such an
14 application, the Secretary shall provide the appropriate
15 health professions societies in the area to which an assign-
16 ment would be made under the application the opportunity to
17 submit comments on the assignment.”.

18 (c) Section 332(h) is amended (1) by inserting “(1)”
19 before “to inform”, and (2) by inserting before the period a
20 comma and the following: “and (2) to inform such entities
21 and other individuals and entities who may be interested in
22 the availability of health professions personnel of the provi-
23 sions of section 753 which allow an individual to satisfy a
24 National Health Service Corps Scholarship Program service

1 obligation through the private practice of the individual's
2 health profession''.

3 (d)(1) Subsection (a) of section 333 (42 U.S.C. 254f) is
4 amended by adding at the end the following:

5 "(3) In approving applications for assignment of mem-
6 bers of the Corps the Secretary shall not discriminate against
7 applications from entities which are not receiving Federal
8 financial assistance under this Act."

9 (2) Effective October 1, 1980, section 333 is amended
10 by redesignating subsections (d) through (h) as subsections (e)
11 through (i), respectively, and by adding after subsection (c)
12 the following new subsection:

13 "(d)(1) The Secretary may not approve an application
14 for the assignment of a member of the Corps described in
15 subparagraph (C) of section 331(a)(1)(C) to an entity unless
16 the application of the entity contains assurances satisfactory
17 to the Secretary that the entity (A) has sufficient financial
18 resources to provide the member of the Corps with an income
19 of not less than the income to which the member would be
20 entitled if the member was a member described in subpara-
21 graph (B) of section 331(a)(1), or (B) would have such finan-
22 cial resources if a grant was made to the entity under
23 paragraph (2).

24 "(2)(A) If in approving an application of an entity for
25 the assignment of a member of the Corps described in sub-

1 paragraph (C) of section 331(a)(1) the Secretary determines
2 that the entity does not have sufficient financial resources to
3 provide the member of the Corps with an income of not less
4 than the income to which the member would be entitled if the
5 member was a member described in subparagraph (B) of sec-
6 tion 331(a)(1), the Secretary may make a grant to the entity
7 to assure that the member of the Corps assigned to it will
8 receive during the period of assignment to the entity such an
9 income.

10 “(B) The amount of any grant under subparagraph (A)
11 shall be determined by the Secretary. Payments under such a
12 grant may be made in advance or by way of reimbursement,
13 and at such intervals and on such conditions, as the Secre-
14 tary finds necessary. No grant may be made unless an appli-
15 cation therefor is submitted to and approved by the Secre-
16 tary. Such an application shall be in such form, submitted in
17 such manner, and contain such information, as the Secretary
18 shall by regulation prescribe.”.

19 (3) Subsection (g) (as so redesignated) of section 333 is
20 amended by adding at the end of paragraph (1) the following:
21 “Assistance provided under this paragraph shall include as-
22 sistance to an entity in (A) analyzing the potential use of
23 health professions personnel in defined health services deliv-
24 ery areas by the residents of such areas, (B) determining the
25 need for such personnel in such areas, (C) determining the

1 extent to which such areas will have a financial base to sup-
2 port the practice of such personnel and the extent to which
3 additional financial resources are needed to adequately sup-
4 port the practice, and (D) determining the types of inpatient
5 and other health services that should be provided by such
6 personnel in such areas.”.

7 (4) Subsection (g) (as so redesignated) of section 333 is
8 amended by adding at the end the following:

9 “(4)(A) The Secretary shall undertake to demonstrate
10 the improvements that can be made in the assignment of
11 members of the Corps to health manpower shortage areas
12 and in the delivery of health care by Corps members in such
13 areas through coordination with States, political subdivisions
14 of States, agencies of States and political subdivisions, and
15 other public and nonprofit private entities which have exper-
16 tise in the planning, development, and operation of centers
17 for the delivery of primary health care. In carrying out this
18 subparagraph, the Secretary shall enter into agreements with
19 qualified entities which provide that if—

20 “(i) the entity places in effect a program for the
21 planning, development, and operation of centers for the
22 delivery of primary health care in health manpower
23 shortage areas which reasonably addresses the need for
24 such care in such areas, and

1 “(ii) under the program the entity will perform the
2 functions described in subparagraph (B),
3 the Secretary will assign under this section members of the
4 Corps in accordance with the program.

5 “(B) For purposes of subparagraph (A), the term ‘quali-
6 fied entity’ means a State, political subdivision of a State, an
7 agency of a State or political subdivision, or other public or
8 nonprofit private entity operating solely within one State,
9 which the Secretary determines is able—

10 “(i) to analyse the potential use of health profes-
11 sions personnel in defined health services delivery
12 areas by the residents of such areas;

13 “(ii) to determine the need for such personnel in
14 such areas and to recruit, select, and retain health pro-
15 fessions personnel (including members of the National
16 Health Service Corps) to meet such need;

17 “(iii) to determine the extent to which such areas
18 will have a financial base to support the practice of
19 such personnel and the extent to which additional fi-
20 nancial resources are needed to adequately support the
21 practice;

22 “(iv) to determine the types of inpatient and other
23 health services that should be provided by such person-
24 nel in such areas;

1 “(v) to assist such personnel in the development
2 of their clinical practice and fee schedules and in the
3 management of their practice;

4 “(vi) to assist in the planning and development of
5 facilities for the delivery of primary health care; and

6 “(vii) to assist in establishing the governing bodies
7 of centers for the delivery of such care and to assist
8 such bodies in defining and carrying out their
9 responsibilities.”.

10 (e)(1) Section 334(a) (42 U.S.C. 254g(a)) is amended by
11 inserting “for the assignment of a member of the Corps”
12 after “section 333”.

13 (2) Section 334(a)(3)(A) is amended by inserting “from
14 the United States” after “received by such member”.

15 (3) Section 334(a)(3)(C) is amended (A) by inserting “or
16 a grant under section 333(d)(2)” after “section 335(c)”, and
17 (B) by inserting “or grant” after “loan” each time it occurs.

18 (4) *Section 334(b) is amended by adding at the end the*
19 *following:*

20 “(4) *In determining whether to grant a waiver under*
21 *paragraph (1) or (2), the Secretary shall not discriminate*
22 *against a public entity.”.*

23 (4) (5) Subsection (e) of section 334 is amended to read
24 as follows:

1 “(e)(1) There is established in the Treasury of the
2 United States a revolving fund to be called the National
3 Health Service Corps Fund (hereinafter in this subsection re-
4 ferred to as the ‘Fund’) which shall be available to the Secre-
5 tary, without fiscal year limitation, to carry out this subpart.

6 “(2) There shall be deposited in the Fund, subject to
7 withdrawal by check by the Secretary—

8 “(A) funds received by the Secretary after Sep-
9 tember 30, 1980, under an agreement entered into
10 under subsection (a), and

11 “(B) interest which may be earned on investments
12 of the Fund.

13 “(3) If the Secretary determines that the moneys of the
14 Fund are in excess of current needs, the Secretary may re-
15 quest the investment of such amounts as the Secretary deems
16 advisable by the Secretary of the Treasury in obligations of,
17 or obligations guaranteed by, the Government of the United
18 States, and, with the approval of the Secretary of the
19 Treasury, in such other obligations or securities as it deems
20 appropriate.

21 “(4) With the approval of the Secretary of the Treasury,
22 the Secretary of Health and Human Services may deposit
23 moneys in the Fund in any Federal Reserve bank, any de-
24 pository for public funds, or in such other places and in such

1 manner as the Secretary of Health and Human Services and
2 the Secretary of the Treasury may mutually agree.

3 “(5) The Fund and the funds credited to it shall not be
4 subject to apportionment under section 3679 of the Revised
5 Statutes (31 U.S.C. 665).”.

6 (f)(1) Effective October 1, 1980, subpart II of part D of
7 title III is amended by redesignating sections 336, 337, and
8 338 as sections 338, 338A, and 338B, respectively; by trans-
9 ferring section 755 to the subpart, inserting such section
10 after section 335, and redesignating it as section 336; and by
11 adding after section 336 (as so redesignated) the following
12 new section:

13 “PREPARATION FOR PRACTICE

14 “SEC. 337. (a) The Secretary may make grants to and
15 enter into contracts with public and private nonprofit entities
16 for the conduct of programs which are designed to prepare
17 individuals subject to a service obligation under the National
18 Health Service Corps Scholarship Program to effectively
19 provide health services in the health manpower shortage area
20 to which they are assigned.

21 “(b) No grant may be made or contract entered into
22 under subsection (a) unless an application therefor is submit-
23 ted to and approved by the Secretary. Such an application
24 shall be in such form, submitted in such manner, and contain

1 such information, as the Secretary shall by regulation
2 prescribe.”.

3 (2) Subsection (a)(1) of section 336 (as so redesignated)
4 is amended by inserting “at least two years of” after
5 “completed”.

6 (g) Section 338B(a) (as so redesignated) (42 U.S.C.
7 254k) is amended (1) by striking out “and” after “1979;”,
8 and (2) by adding before the period a semicolon and the fol-
9 lowing: “\$94,000,000 for the fiscal year ending September
10 30, 1981; \$145,000,000 for the fiscal year ending September
11 30, 1982; and \$205,000,000 for the fiscal year ending Sep-
12 tember 30, 1983”.

13 (h) Effective October 1, 1980, the Secretary of Health
14 and Human Services shall—

15 (1) evaluate the criteria used under section 332(b)
16 of the Public Health Service Act to determine if the
17 use of the criteria has resulted in areas which do not
18 have a shortage of health professions personnel being
19 designated as health manpower shortage areas; and

20 (2) consider different criteria (including the actual
21 use of health professions personnel in an area by the
22 residents of an area taking into account their health
23 status) which may be used to designate health man-
24 power shortage areas.

1 Not later than 18 months after the date of the enactment of
2 this Act, the Secretary shall report to the Congress the re-
3 sults of the activities undertaken under this subsection.

4 REVISION AND EXTENSION OF NATIONAL HEALTH

5 SERVICE CORPS SCHOLARSHIP PROGRAM

6 SEC. 102. (a)(1) Paragraphs (1) through (4) of section
7 752(b) (42 U.S.C. 294u(b)) are amended to read as follows:

8 “(b)(1) If an individual is required under subsection (a)
9 to provide service as specified in section 751(f)(1)(B)(iv)
10 (hereinafter in this subsection referred to as ‘obligated serv-
11 ice’), the Secretary shall, not later than 90 days before the
12 date described in paragraph (5), determine if the individual
13 shall provide such service—

14 “(A) as a member of the Corps who is a commis-
15 sioned officer in the Regular or Reserve Corps of the
16 Service or who is a civilian employee of the United
17 States, or

18 “(B) as a member of the Corps who is not such
19 an officer or employee,

20 and shall notify such individual of such determination.

21 “(2) If the Secretary determines that an individual shall
22 provide obligated service as a member of the Corps who is a
23 commissioned officer in the Service or a civilian employee of
24 the United States, the Secretary shall, not later than 60 days
25 before the date described in paragraph (5), provide such indi-

1 vidual with sufficient information regarding the advantages
2 and disadvantages of service as such a commissioned officer
3 or civilian employee to enable the individual to make a deci-
4 sion on an informed basis. To be eligible to provide obli-
5 gated service as a commissioned officer in the Service, an
6 individual shall notify the Secretary, not later than 30 days
7 before the date described in paragraph (5), of the individual's
8 desire to provide such service as such an officer. If an indi-
9 vidual qualifies for an appointment as such an officer, the
10 Secretary shall, as soon as possible after the date described
11 in paragraph (5), appoint the individual as a commissioned
12 officer of the Regular or Reserve Corps of the Service and
13 shall designate the individual as a member of the Corps.

14 “(3) If an individual provided notice by the Secretary
15 under paragraph (2) does not qualify for appointment as a
16 commissioned officer in the Service, the Secretary shall ap-
17 point such individual as a civilian employee of the United
18 States and designate the individual as a member of the
19 Corps.

20 “(4) If the Secretary determines that an individual shall
21 provide obligated service as a member of the Corps who is
22 not an employee of the United States, the Secretary shall as
23 soon as possible after the date described in paragraph (5),
24 designate such individual as a member of the Corps to pro-
25 vide such service.”.

1 (2)(A) Subsection (c)(1) of section 752 is amended by
2 striking out “or as a member of the Corps” and inserting in
3 lieu thereof “or as a civilian employee of the United States or
4 is designated as a member of the Corps under subsection
5 (b)(4)”.

6 (B) The second sentence of subsection (d) of section 752
7 is amended by inserting after “written contract” the follow-
8 ing: “and if such individual is an officer in the Service or a
9 civilian employee of the United States”.

10 (b) Subsection (e) of section 752 is amended to read as
11 follows:

12 “(e) Notwithstanding any other provision of this title,
13 service of an individual under a National Research Service
14 Award awarded under subparagraph (A) or (B) of section
15 472(a)(1) shall be counted against the obligated service which
16 the individual is required to perform under the Scholarship
17 Program.”.

18 (c)(1) Section 753(b)(1)(B) (42 U.S.C. 294v(b)(1)(B)) is
19 amended (A) by inserting “(i)” before “shall not”, and (B) by
20 inserting before the semicolon a comma and the following:
21 “and (ii) shall agree to accept an assignment under section
22 1842(b)(3)(B)(ii) of such Act for all services for which pay-
23 ment may be made under part B of title XVIII and enter into
24 an appropriate agreement with the State agency which ad-
25 ministers the State plan for medical assistance under title

1 XIX of such Act to provide services to individuals entitled to
2 medical assistance under the plan”.

3 (2) Section 753 is amended by adding the following new
4 subsections:

5 “(c) If an individual breaches the contract entered into
6 under section 751 by failing (for any reason) to begin his
7 service obligation in accordance with an agreement entered
8 into under subsection (a) or to complete such service obliga-
9 tion, the Secretary may permit such individual to perform
10 such service obligation as a member of the Corps.

11 “(d) The Secretary shall, upon request, provide techni-
12 cal assistance to individuals who are considering entering
13 into an agreement under subsection (a) or have entered into
14 such an agreement to assist them in the establishment of
15 their clinical practice under the agreement.”.

16 (3) Section 751(c)(2) is amended by inserting “informa-
17 tion respecting meeting a service obligation through private
18 practice under an agreement under section 753 and” after
19 “(2)”.

20 (4)(A) Subsection (a) of section 753 is amended (i) by
21 inserting “or under section 225 (as in effect on September
22 30, 1977)” after “section 752(a)”, and (ii) by striking out
23 “which (A)” and all that follows in that subsection and in-
24 serting in lieu thereof a period.

1 (B) Section 754(c) (42 U.S.C. 294w(c)) is amended (i)
2 by striking out “(c) If” and inserting in lieu thereof “(c)(1)
3 Except as provided in paragraph (2), if”, and (ii) by adding at
4 the end the following:

5 “(2) If an individual is released under section 753 from
6 a service obligation under section 225 (as in effect on Sep-
7 tember 30, 1977) and if the individual does not meet the
8 service obligation incurred under section 753, subsection (f)
9 of such section 225 shall apply to such individual in lieu of
10 paragraph (1) of this subsection.”.

11 (C) Section 735(c)(1) (42 U.S.C. 294h(c)(1)) is amended
12 by striking out “clauses (A) and (B) of”.

13 (d) Section 751(a) is amended by inserting “clinical psy-
14 chologists,” after “pharmacists,”.

15 (e) Section 751(d) is amended by inserting after para-
16 graph (2) the following:

17 “In considering applications and contracts for which a prior-
18 ity is required under paragraph (2), the Secretary shall give
19 special consideration to the applications and contracts of indi-
20 viduals who intend to be primary care physicians in health
21 manpower shortage areas (as defined in section 332), who
22 have resided or been employed in such areas, or who meet
23 such other qualifications as the Secretary may prescribe to
24 assist in determining if an individual will become a primary
25 care physician in such an area.”.

1 (f)(1) The first sentence of section 756(a) is amended (A)
2 by striking out “and” after “1979,” and (B) by inserting
3 before the period, the following: “, \$92,000,000 for the fiscal
4 year ending September 30, 1981, \$101,000,000 for the fiscal
5 year ending September 30, 1982, and \$109,000,000 for the
6 fiscal year ending September 30, 1983”.

7 (2) The second sentence of such section is amended (A)
8 by striking out “1981” and inserting in lieu thereof “1984”,
9 and (B) by striking out “1980” and inserting in lieu thereof
10 “1983”.

11 (g) The amendments made by subsection (a) shall apply
12 with respect to contracts entered into under the National
13 Health Service Corps Scholarship Program under subpart III
14 of part C of title VII of the Public Health Service Act after
15 the date of the enactment of this Act. An individual who
16 before such date has entered into such a contract and who
17 has not begun the period of obligated service required under
18 such contract shall be given the opportunity to revise such
19 contract to permit the individual to serve such period as a
20 member of the National Health Service Corps who is not an
21 employee of the United States.

1 TITLE II—HEALTH PROFESSIONS PROGRAMS

2 UNDER TITLE VII

3 PART A—CONSTRUCTION ASSISTANCE

4 REPEAL OF ENROLLMENT INCREASE REQUIREMENT

5 SEC. 201. (a) Paragraph (2) of section 721(c) (42 U.S.C.
6 293a(c)(2)) is amended (1) by inserting “and” after “the fa-
7 cility,”, and (2) by striking out “, and (D)” and all that fol-
8 lows in that paragraph and inserting in lieu thereof a semi-
9 colon.

10 (b) The amendment made by subsection (a) shall apply
11 with respect to entities which received a grant under section
12 720 of the Public Health Service Act before the date of the
13 enactment of this Act.

14 CONSTRUCTION ASSISTANCE FOR CONVERSIONS

15 SEC. 202. (a) Section 720(a) (42 U.S.C. 293(a)) is
16 amended by adding at the end the following:

17 “(3) The Secretary may make grants to schools provid-
18 ing the first two years of education leading to the degree of
19 doctor of medicine to assist in the construction of the teach-
20 ing facilities which the schools require to become schools of
21 medicine.”.

22 (b) Subsection (b) of such section is amended to read as
23 follows:

24 “(b) For the purpose of grants under subsection (a)(3),
25 there are authorized to be appropriated \$15,000,000 for the

1 fiscal year ending September 30, 1981, to remain available
2 until expended.”.

3 (c) Section 721(b)(1) (42 U.S.C. 293a(b)) is amended (1)
4 by inserting after “(1)” the following: “To be eligible to
5 apply for a grant under section 720(a)(3) the applicant must
6 be a public or nonprofit school providing the first two years of
7 education leading to the degree of doctor of medicine and be
8 accredited by a recognized body or bodies approved for such
9 purpose by the Secretary of Education.”, and (2) by striking
10 out “under this part” and inserting in lieu thereof “under
11 paragraph (1) or (2) of section 720(a)”.

12 (d) Subsection 721(g)(1) is amended by striking out
13 “section 720(a)(2)” and inserting in lieu thereof “paragraph
14 (2) or (3) of section 720(a)”.

15 (e) Subsection (a) of section 722 (42 U.S.C. 293b(a)) is
16 amended by adding at the end the following:

17 “(3) The amount of any grant under section 720(a)(3)
18 shall be such amount as the Secretary determines to be ap-
19 propriate after obtaining advice from the Council, except that
20 no grant for any project may exceed 80 percent of the neces-
21 sary costs of construction, as determined by the Secretary.”.

22 (f) Section 723(a) (42 U.S.C. 293c(a)) is amended by
23 striking out “section 720(a)(1)” and inserting in lieu thereof
24 “paragraph (1) or (3) of section 720(a)”.

1 LOAN GUARANTEES AND INTEREST SUBSIDIES

2 SEC. 203. (a) Section 726(a) (42 U.S.C. 293i(a)) is
3 amended (1) by striking out “construction projects for” in the
4 first sentence and inserting in lieu thereof “projects for the
5 remodeling, renovation, or alteration of”, (2) by striking out
6 “1980” and inserting in lieu thereof “1983”, and (3) by
7 striking out “cost of the construction of the project” in the
8 last sentence and inserting in lieu thereof “cost of the project,
9 including architect fees and the initial equipment of the re-
10 modeled, renovated, or altered teaching facilities”.

11 (b) Section 726(b) is amended (1) by inserting “before
12 October 1, 1980,” after “loan has been made”, and (2) by
13 striking out “, during the period beginning July 1, 1971, and
14 ending with the close of September 30, 1980,”.

15 PART B—STUDENT ASSISTANCE

16 EXTENSION AND REVISION OF INSURED STUDENT LOAN

17 PROGRAM

18 SEC. 205. (a)(1) The first sentence of section 728(a) (42
19 U.S.C. 294a(a)) is amended by inserting a comma before the
20 period and the following: “and for each of the next three
21 fiscal years”.

22 (2) The second sentence of such section is amended by
23 striking out “1982” and inserting in lieu thereof “1985”.

24 (b) Section 729(a) (42 U.S.C. 294b(a)) is amended (1) by
25 striking out “\$15,000” and inserting in lieu thereof

1 “\$20,000”, and (2) by striking out “\$60,000” and inserting
2 in lieu thereof “\$80,000”.

3 (c)(1) Section 731(a)(1)(A) (42 U.S.C. 294d(a)(1)(A)) is
4 amended (A) by inserting “and” at the end of clause (iv), and
5 (B) by striking out clause (v) and redesignating clause (vi) as
6 clause (v).

7 (2) Section 731(a)(2) is amended (A) by striking out “in-
8 stallments of principal need not be paid, but interest shall
9 accrue and be paid” in subparagraph (C) and inserting in lieu
10 thereof “installments of principal and interest need not be
11 paid, but interest shall accrue”, (B) by striking out “three
12 years” in subparagraph (C)(ii) and inserting in lieu thereof
13 “four years”, (C) by inserting “except as provided in subpar-
14 agraph (C),” after “period of the loan,” in subparagraph (D),
15 and (D) by striking out “otherwise payable (i) before the be-
16 ginning of the repayment period, (ii) during any period de-
17 scribed in subparagraph (C), or (iii) during any other period of
18 forbearance of payment of principal,” in subparagraph (D).

19 (3) Section 731(a)(2) is amended (A) by redesignating
20 subparagraphs (E) and (F) as subparagraphs (F) and (G), and
21 (B) by inserting after subparagraph (D) the following:

22 “(E) offers, in accordance with criteria pre-
23 scribed by regulation by the Secretary, a schedule
24 for repayment of principal and interest under
25 which payment of a portion of the principal and

1 interest otherwise payable at the beginning of the
 2 repayment period (as defined in such regulations)
 3 is deferred until a later time in the period;”.

4 (4) Section 731(c) is amended by striking out “The
 5 total” and inserting in lieu thereof “Except as provided in
 6 subsection (a)(2)(C), the total”.

7 (d) Section 731(b) is amended by striking out “12 per-
 8 cent per annum on the unpaid principal balance of the loan”
 9 and inserting in lieu thereof “the average of the bond equiva-
 10 lent rates of the 91-day Treasury bills auctioned for the pre-
 11 vious quarter plus 2 percent”.

12 (e) *Paragraph (1) of section 737 (42 U.S.C. 294j(1)) is*
 13 *amended to read as follows:*

14 “(1) The term ‘eligible institution’ means a school of
 15 medicine, osteopathy, dentistry, veterinary medicine, optom-
 16 etry, pharmacy, podiatry, or public health within the United
 17 States which is accredited by a recognized body or bodies
 18 approved for such purpose by the Secretary of Education.”.

19 (e) (f) Section 739(b) is amended to read as follows:

20 “(b) The Secretary shall require an eligible institution to
 21 record, and to make available to the lender and to the Secre-
 22 tary upon request, the name, address, postgraduate destina-
 23 tion, and other reasonable identifying information for each
 24 student of such institution who has a loan insured under this
 25 subpart.”.

1 EXTENSION OF STUDENT LOAN PROGRAM

2 SEC. 206. (a)(1) The first sentence of section 742(a) (42
3 U.S.C. 294b(a)) is amended (1) by striking out “and” after
4 “1979,” and (2) by inserting before the period a comma and
5 the following: “\$20,000,000 for the fiscal year ending Sep-
6 tember 30, 1981, \$22,500,000 for the fiscal year ending
7 September 30, 1982, and \$25,000,000 for the fiscal year
8 ending September 30, 1983”.

9 (2) The second sentence of such section is amended (A)
10 by striking out “1981” and inserting in lieu thereof “1984”,
11 and (B) by striking out “1980” and inserting in lieu thereof
12 “1983”.

13 (b) Section 743 (42 U.S.C. 294c) is amended by striking
14 out “1983” each place it occurs and inserting in lieu thereof
15 “1986”.

16 EXTENSION OF SCHOLARSHIPS FOR STUDENTS OF

17 EXCEPTIONAL FINANCIAL NEED

18 SEC. 207. (a) Section 758(d) (42 U.S.C. 294z(d)) is
19 amended (1) by striking out “and” after “1979,” and (2) by
20 inserting before the period a comma and the following:
21 “\$30,000,000 for the fiscal year ending September 30, 1981,
22 \$40,000,000 for the fiscal year ending September 30, 1982,
23 and \$50,000,000 for the fiscal year ending September 30,
24 1983”.

1 (b) Section 758(c) is amended (1) by striking out “dis-
 2 tribute grants under this section among all schools of the
 3 health professions, but shall”, and (2) by striking out “such
 4 grants” and inserting in lieu thereof “grants under subsection
 5 (a)”.

6 (c)(1) Section 758(a) is amended by striking out “first
 7 year” and inserting in lieu thereof “first or second year”.

8 (2) Section 758(b)(1) is amended by striking out “first
 9 year” and inserting in lieu thereof “first or second year”.

10 (3) Section 758(b)(3) is amended (A) by striking out
 11 “first year of study” and inserting in lieu thereof “first or
 12 second year of study”, and (B) by striking out “student’s first
 13 year” and inserting in lieu thereof “student’s first or second
 14 year.”

15 PART C—INSTITUTIONAL SUPPORT

16 GRANTS

17 SEC. 211. (a) Effective with respect to fiscal years be-
 18 ginning after September 30, 1980, section 770(a) (42 U.S.C.
 19 295f(a)) is amended to read as follows:

20 “SEC. 770. (a) GRANT COMPUTATION.—The Secretary
 21 shall make annual grants to schools of medicine, osteopathy,
 22 dentistry, veterinary medicine, optometry, pharmacy, and po-
 23 diatry for the support of the education programs of such
 24 schools. The amount of the annual grant to each such school

1 with an approved application shall be computed for each
2 fiscal year as follows:

3 “(1) Each school of medicine, osteopathy, and
4 dentistry shall receive—

5 “(A) for the fiscal year ending September 30,
6 1981, \$2,000 for each full-time student enrolled
7 in such school in the school year beginning in
8 such fiscal year;

9 “(B) for the fiscal year ending September 30,
10 1982, \$1,000 for each full-time student enrolled
11 in such school in the school year beginning in
12 such fiscal year; and

13 “(C) for the fiscal year ending September 30,
14 1983, \$500 for each full-time student enrolled in
15 such school in the school year beginning in such
16 fiscal year.

17 “(2) Each school of veterinary medicine shall
18 receive—

19 “(A) for the fiscal year ending September 30,
20 1981, \$1,200 for each full-time student enrolled
21 in such school in the school year beginning in
22 such fiscal year;

23 “(B) for the fiscal year ending September 30,
24 1982, \$600 for each full-time student enrolled in

1 such school in the school year beginning in such
2 fiscal year; and

3 “(C) for the fiscal year ending September 30,
4 1983, \$300 for each full-time student enrolled in
5 such school in the school year beginning in such
6 fiscal year.

7 “(3) Each school of optometry shall receive—

8 “(A) for the fiscal year ending September 30,
9 1981, \$700 for each full-time student enrolled in
10 such school in the school year beginning in such
11 fiscal year;

12 “(B) for the fiscal year ending September 30,
13 1982, \$350 for each full-time student enrolled in
14 such school in the school year beginning in such
15 fiscal year; and

16 “(C) for the fiscal year ending September 30,
17 1983, \$100 for each full-time student enrolled in
18 such school in the school year beginning in such
19 fiscal year.

20 “(4) Each school of pharmacy shall receive—

21 “(A) for the fiscal year ending September 30,
22 1981, \$600 for each full-time student enrolled in
23 the last four years of such school in the school
24 year beginning in such fiscal year;

1 “(B) for the fiscal year ending September 30,
2 1982, \$300 for each full-time student enrolled in
3 the last four years of such school in the school
4 year beginning in such fiscal year; and

5 “(C) for the fiscal year ending September 30,
6 1983, \$100 for each full-time student enrolled in
7 the last four years of such school in the school
8 year beginning in such fiscal year.

9 “(5) Each school of podiatry shall receive—

10 “(A) for the fiscal year ending September 30,
11 1981, \$600 for each full-time student enrolled in
12 such school in the school year beginning in such
13 fiscal year;

14 “(B) for the fiscal year ending September 30,
15 1982, \$400 for each full-time student enrolled in
16 such school in the school year beginning in such
17 fiscal year; and

18 “(C) for the fiscal year ending September 30,
19 1983, \$200 for each full-time student enrolled in
20 such school in the school year beginning in such
21 fiscal year.”.

22 (b)(1) Section 770(b) is amended by striking out “public
23 health,”.

24 (2) Section 770(c)(2) is amended by striking out “, or to
25 a graduate degree in public health or an equivalent degree”.

1 (3) Subsection (d) of section 770 is repealed and subsec-
2 tion (e) is redesignated as subsection (d).

3 (4) Section 772(b)(1) is amended by striking out “public
4 health,”.

5 (c) Effective with respect to fiscal years beginning after
6 September 30, 1980, section 770(d) (as so redesignated) is
7 amended to read as follows:

8 “(d) AUTHORIZATIONS OF APPROPRIATIONS.—

9 “(1) There are authorized to be appropriated
10 \$37,259,000 for the fiscal year ending September 30,
11 1981, \$24,836,000 for the fiscal year ending Septem-
12 ber 30, 1982, and \$12,418,000 for the fiscal year
13 ending September 30, 1983, for payments under grants
14 under this section to schools of medicine.

15 “(2) There are authorized to be appropriated
16 \$2,904,000 for the fiscal year ending September 30,
17 1981, \$1,936,000 for the fiscal year ending September
18 30, 1982, and \$968,000 for the fiscal year ending Sep-
19 tember 30, 1983, for payments under grants under this
20 section for schools of osteopathy.

21 “(3) There are authorized to be appropriated
22 \$12,148,000 for the fiscal year ending September 30,
23 1981, \$8,099,000 for the fiscal year ending September
24 30, 1982, and \$4,049,000 for the fiscal year ending

1 September 30, 1983, for payments under grants under
2 this section for schools of dentistry.

3 “(4) There are authorized to be appropriated
4 \$2,700,000 for the fiscal year ending September 30,
5 1981, \$1,800,000 for the fiscal year ending September
6 30, 1982, and \$900,000 for the fiscal year ending Sep-
7 tember 30, 1983, for payments under grants under this
8 section to schools of veterinary medicine.

9 “(5) There are authorized to be appropriated
10 \$794,000 for the fiscal year ending September 30,
11 1981, \$529,000 for the fiscal year ending September
12 30, 1982, and \$265,000 for the fiscal year ending Sep-
13 tember 30, 1983, for payments under grants under this
14 section to schools of optometry.

15 “(6) There are authorized to be appropriated
16 \$4,538,000 for the fiscal year ending September 30,
17 1981, \$3,025,000 for the fiscal year ending September
18 30, 1982, and \$1,513,000 for the fiscal year ending
19 September 30, 1983, for payments under grants under
20 this section to schools of pharmacy.

21 “(7) There are authorized to be appropriated
22 \$609,000 for the fiscal year ending September 30,
23 1981, \$406,000 for the fiscal year ending September
24 30, 1982, and \$203,000 for the fiscal year ending Sep-

1 tember 30, 1983, for payments under grants under this
2 section to schools of podiatry.”.

3 (d)(1) The heading for part E of title VII is amended by
4 striking out “PUBLIC HEALTH,”.

5 (2) The heading for section 770 is amended to read as
6 follows:

7 “INSTITUTIONAL SUPPORT”.

8 GRANT REQUIREMENTS

9 SEC. 212. (a)(1) Effective with respect to grants made
10 under section 770 of the Public Health Service Act for the
11 fiscal year ending September 30, 1980, section 771(a)(1) (42
12 U.S.C. 295f-1(a)(1)) is amended by inserting after “first-year
13 enrollment” the following: “(determined without regard to
14 any increase in such enrollment made by the school to enable
15 it to qualify for financial assistance under chapter 82 of title
16 38, United States Code)”.

17 (2) Effective with respect to grants made under section
18 770 of the Public Health Service Act for fiscal years begin-
19 ning after September 30, 1980, subsection (a) of section 771
20 (42 U.S.C. 295f-1) is amended to read as follows:

21 “SEC. 771. (a) IN GENERAL.—

22 “(1) The Secretary shall not make a grant under
23 section 770(a) to any school in a fiscal year beginning
24 after September 30, 1980, unless the application for
25 the grant contains, or is supported by, assurances sat-

1 isfactory to the Secretary that the applicant will
2 expend in carrying out its functions as a school of
3 medicine, osteopathy, dentistry, veterinary medicine,
4 optometry, pharmacy, or podiatry, as the case may be,
5 during the fiscal year for which such grant is sought,
6 an amount of funds (other than funds for construction
7 as determined by the Secretary) from non-Federal
8 sources which is at least as great as the amount of
9 funds expended by such applicant for such purpose (ex-
10 cluding expenditures of a nonrecurring nature) in the
11 fiscal year preceding the fiscal year for which such
12 grant is sought.

13 “(2) If in any fiscal year the amount appropriated
14 under subsection (d) of section 770 for grants under
15 subsection (a) of such section for a category of schools
16 is less than the amount appropriated for the fiscal year
17 ending September 30, 1980, for such grants, then in
18 the fiscal year in which the appropriations are less, no
19 grant may be made under subsection (a) of section 770
20 to any school in such category which did not receive
21 such a grant in the fiscal year ending September 30,
22 1980.”.

23 (b)(1) Subsection (b)(1) of section 771 is amended by
24 striking out “paragraphs (2) and (3)” and inserting in lieu
25 thereof “paragraph (2)”.

- 1 (2) Paragraph (3) of section 771(b) is repealed.
- 2 (c) Subsection (g)(3) of section 771 is amended by strik-
3 ing out “(or 50 percent if the applicant is a nonprofit private
4 school of optometry)”.
- 5 (d) Subsection (e) of section 771 is repealed and subsec-
6 tions (f), (g), (h), and (i) are redesignated as subsections (e),
7 (f), (g), and (h).
- 8 (e)(1) Subsection (b) of section 772 (42 U.S.C. 295f-5)
9 is amended by striking out “or subsection (a) or (b) of section
10 788”.
- 11 (2) Paragraph (2) of subsection (d) of section 772 is
12 amended by striking out “under the section authorizing the
13 grant for which the application is made” and inserting in lieu
14 thereof “under section 770”.
- 15 (3) The first sentence of section 788(a)(3) (42 U.S.C.
16 295g-8(a)(3)) is amended by inserting “and the applicant
17 meets the requirements of subsection (b) of section 772”
18 before the period.
- 19 (f)(1) The heading for section 771 is amended to read as
20 follows:
- 21 “ELIGIBILITY FOR INSTITUTIONAL SUPPORT”.
- 22 (2) The heading for section 772 is amended to read as
23 follows:

1 “APPLICATIONS FOR INSTITUTIONAL SUPPORT”.

2 PART D—PROJECT GRANTS AND CONTRACTS

3 DEPARTMENTS OF FAMILY MEDICINE

4 SEC. 215. (a) Section 780(c) (42 U.S.C. 295g(c)) is
5 amended (1) by striking out “and” after “1979,”, and (2) by
6 inserting after “1980” the following: “, \$15,000,000 for the
7 fiscal year ending September 30, 1981, \$20,000,000 for the
8 fiscal year ending September 30, 1982, and \$25,000,000 for
9 the fiscal year ending September 30, 1983”.

10 (b) Section 780(b)(1)(D) is amended by striking out
11 “have control over” and inserting in lieu thereof “have con-
12 trol over or affiliation with”.

13 AREA HEALTH EDUCATION CENTERS

14 SEC. 216. (a) Section 781(g) (42 U.S.C. 295g-1(g)) is
15 amended (1) by striking out “and” after “1979,”, and (2) by
16 inserting after “1980” the following: “, \$21,000,000 for the
17 fiscal year ending September 30, 1981, \$28,000,000 for the
18 fiscal year ending September 30, 1982, and \$30,000,000 for
19 the fiscal year ending September 30, 1983”.

20 (b) The last sentence of section 781(c) is amended by
21 striking out “paragraph (3)” and inserting in lieu thereof
22 “paragraph (2) or (3)”.

23 (c) Section 781(d)(2)(E) is amended by striking out
24 “support services” and inserting in lieu thereof “educational
25 support services”.

1 (d)(1) Effective October 1, 1980, subsection (a) of sec-
2 tion 781 is amended to read as follows:

3 “SEC. 781. (a)(1) The Secretary may enter into con-
4 tracts with schools of medicine and osteopathy for the plan-
5 ning, development, and operation of area health education
6 center programs.

7 “(2) The Secretary may enter into contracts with
8 schools of medicine and osteopathy, which have previously
9 entered into contracts under this section, to carry out under
10 area health education center programs—

11 “(A) projects to improve the distribution, supply,
12 quality, utilization, and efficiency of health personnel in
13 the health services delivery system;

14 “(B) projects to encourage the regionalization of
15 educational responsibilities of the health professions
16 schools; and

17 “(C) projects designed to prepare, through precep-
18 torships and other programs, individuals subject to a
19 service obligation under the National Health Service
20 Corps Scholarship Program to effectively provide
21 health services in health manpower shortage areas.”.

22 (2) The first sentence of subsection (e) is repealed.

23 (3) The first sentence of subsection (f) is amended to
24 read as follows: “For purposes of this section, the term ‘area
25 health education center program’ means a program which is

1 organized as provided in subsection (b) and under which the
 2 participating medical and osteopathic schools and the area
 3 health education centers meet the requirements of subsec-
 4 tions (c) and (d).”.

5 (4) Subsection (g) of such section is amended by adding
 6 at the end the following: “The Secretary may obligate not
 7 more than 10 percent of the amount appropriated under this
 8 subsection for any fiscal year for contracts under subsection
 9 (a)(2).”.

10 (e) The authority to enter into contracts under section
 11 781 of the Public Health Service Act is not authority to
 12 enter into cooperative agreements under that section.

13 PHYSICIAN ASSISTANTS AND DENTAL AUXILIARIES

14 SEC. 217. (a) Section 783(e) (42 U.S.C. 295g-3(e)) is
 15 amended (1) by striking out “and” after “1979,”, and (2) by
 16 inserting after “1980” the following: “, \$14,000,000 for the
 17 fiscal year ending September 30, 1981, \$15,000,000 for the
 18 fiscal year ending September 30, 1982, and \$16,000,000 for
 19 the fiscal year ending September 30, 1983”.

20 (b) Section 783(c) is amended by striking out “830” and
 21 inserting in lieu thereof “822”.

22 GENERAL INTERNAL MEDICINE AND GENERAL PEDIATRICS

23 SEC. 218. (a) Section 784(b) (42 U.S.C. 295g-4(b)) is
 24 amended (1) by striking out “and” after “1979,”, and (2) by
 25 inserting after “1980” the following: “, \$23,000,000 for the

1 fiscal year ending September 30, 1981, \$30,000,000 for the
 2 fiscal year ending September 30, 1982, and \$32,000,000 for
 3 the fiscal year ending September 30, 1983”.

4 (b) Section 784(a) is amended—

5 (1) by inserting “, public or private nonprofit hos-
 6 pital, or any other public or private nonprofit entity”
 7 after “osteopathy”; and

8 (2) by striking out “and” at the end of paragraph
 9 (1), by striking out the period at the end of paragraph
 10 (2) and inserting a semicolon, and by adding at the end
 11 the following:

12 “(3) to plan, develop, and operate programs for
 13 the training of physicians who plan to teach in general
 14 internal medicine and general pediatrics training pro-
 15 grams; and

16 “(4) to provide assistance (in the form of trainee-
 17 ships and fellowships) to physicians who are partici-
 18 pants in any such program.”.

19 FAMILY MEDICINE AND GENERAL PRACTICE OF
 20 DENTISTRY

21 SEC. 219. (a) Section 786(d) (42 U.S.C. 295g-6(d)) is
 22 amended (1) by striking out “and” after “1979,” and (2) by
 23 inserting after “1980” the following: “, \$50,000,000 for the
 24 fiscal year ending September 30, 1981, \$75,000,000 for the

1 fiscal year ending September 30, 1982, and \$80,000,000 for
 2 the fiscal year ending September 30, 1983”.

3 (b) Effective October 1, 1980, the Secretary of Health
 4 and Human Services shall conduct a study to determine the
 5 most effective and efficient means of providing financial as-
 6 sistance to graduate medical education programs in the
 7 United States in primary internal medicine, primary pedi-
 8 atries, and family medicine. The Secretary shall complete such
 9 study and report, not later than one year after the date of the
 10 enactment of this Act, to the Committee on Interstate and
 11 Foreign Commerce of the House of Representatives and the
 12 Committee on Labor and Human Resources of the Senate
 13 the results of the study and recommendations, if any, for
 14 legislation.

15 ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED

16 BACKGROUNDS

17 SEC. 220. Effective with respect to fiscal years begin-
 18 ning after September 30, 1980, section 787 is amended to
 19 read as follows:

20 “EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM

21 DISADVANTAGED BACKGROUNDS

22 “SEC. 787. (a) For the purpose of assisting individuals
 23 from disadvantaged backgrounds (as determined in accord-
 24 ance with criteria prescribed by the Secretary) to undertake
 25 education to enter a health profession, the Secretary may

1 make grants to or enter into contracts with schools of medi-
 2 cine, osteopathy, dentistry, nursing, veterinary medicine, op-
 3 tometry, pharmacy, podiatry, or public health, ~~training cen-~~
 4 ~~ters for the allied health professions,~~ institutions providing
 5 graduate programs in health administration, or other public
 6 or private nonprofit health or educational entities, to assist in
 7 meeting the cost of—

8 “(1) establishing secondary education programs
 9 designed to increase the number of students from dis-
 10 advantaged backgrounds that pursue careers in the
 11 health professions;

12 “(2) strengthening the preprofessional curriculum
 13 of baccalaureate degree institutions predominantly at-
 14 tended by individuals from disadvantaged backgrounds;

15 “(3) establishing joint programs between bacca-
 16 laureate degree institutions and health professions
 17 schools, ~~training centers,~~ or other appropriate entities
 18 designed to increase the number of students from dis-
 19 advantaged backgrounds in health professions schools;

20 “(4) providing, for a period prior to the entry of
 21 such individuals into the regular course of education of
 22 health professions schools, preliminary education de-
 23 signed to assist such individuals in successfully com-
 24 pleting such regular course of education at such

1 schools, or referring such individuals to institutions
2 providing such preliminary education;

3 “(5) identifying, recruiting, and selecting individ-
4 uals from disadvantaged backgrounds for education and
5 training in a health profession;

6 “(6) facilitating the entry of such individuals into
7 such schools;

8 “(7) providing counseling, work-study opportuni-
9 ties in health service agencies, or other services de-
10 signed to assist such individuals to complete successful-
11 ly their education at such schools;

12 “(8) publicizing existing sources of financial aid
13 available to students in the education program of such
14 school or who are undertaking training necessary to
15 qualify to enroll in such program; or

16 “(9) increasing the number of faculty from disad-
17 vantaged backgrounds in the health professions
18 schools.

19 “(b)(1) There are authorized to be appropriated for
20 grants and contracts under this section, \$30,000,000 for the
21 fiscal year ending September 30, 1981, \$33,000,000 for the
22 fiscal year ending September 30, 1982, and \$36,000,000 for
23 the fiscal year ending September 30, 1983. Not less than 80
24 percent of the funds appropriated in any fiscal year shall be
25 obligated for grants or contracts to institutions of higher edu-

9 START-UP, FINANCIAL DISTRESS, CONVERSION, AND
0 CURRICULUM GRANTS

(2) The amendment made by paragraph (1) shall not apply with respect to a school of medicine, osteopathy, or dentistry which received a grant under section 788(a)(1) of the Public Health Service Act for the fiscal year ending September 30, 1980. Such a school may continue to receive grants under such section in accordance with the requirements in effect for grants under the section for such fiscal year.

24 “(c)(1) The Secretary may make grants to schools which
25 provide the first two years of education leading to the degree

1 of doctor of medicine to assist the schools in accelerating the
2 date they will become schools of medicine.

3 “(2) The amount of a grant under paragraph (1) to a
4 school shall be equal to the product of \$25,000 and the
5 number of full-time, third-year students which the Secretary
6 estimates will enroll in the school in the school year begin-
7 ning in the fiscal year in which such grant is made. Estimates
8 by the Secretary under this paragraph of the number of full-
9 time, third-year students to be enrolled in the school may be
10 made on assurances provided by the school.

11 “(3) No grant may be made under paragraph (1) unless
12 an application for such grant is submitted to, and approved
13 by, the Secretary. Such application shall be in such form, be
14 submitted in such manner, and shall contain such informa-
15 tion, as the Secretary may by regulation prescribe. To be
16 eligible to apply for a grant under subsection (a), the appli-
17 cant must be a public or nonprofit school providing the first
18 two years of education leading to the degree of doctor of
19 medicine and be accredited by a recognized body or bodies
20 approved for such purpose by the Secretary of Education.”.

21 (c) Section 788(d) is amended—

22 (1) by striking out “and” at the end of paragraph
23 (20),

24 (2) by striking out the period at the end of para-
25 graph (21) and inserting in lieu thereof “; and”, and

1 (3) by adding at the end the following:

2 “(22) training of health professionals in the diag-
3 nosis, treatment, and prevention of diabetes and other
4 severe chronic diseases and their complications.”.

5 (d) Section 788(d)(6) is amended by inserting “den-
6 tistry,” before “optometry”.

7 (e) Section 788(e)(1) is amended (1) by striking out
8 “and” after “1979,” and (2) by inserting after “1980” the
9 following: “, \$10,000,000 for the fiscal year ending Septem-
10 ber 30, 1981, \$12,500,000 for the fiscal year ending Sep-
11 tember 30, 1982, and \$15,000,000 for the fiscal year ending
12 September 30, 1983”.

13 (f)(1) Part G of title VII is amended by adding after
14 section 789 the following new section:

15 “FINANCIAL DISTRESS GRANTS

16 SEC. 789A. (a) The Secretary may make grants to
17 schools of medicine, osteopathy, dentistry, public health, vet-
18 erinary medicine, optometry, pharmacy, and podiatry which
19 are in serious financial distress for the purposes of assisting
20 in—

21 “(1) meeting the costs of operation of any such
22 school,

23 “(2) meeting accreditation requirements if they
24 have a special need to be assisted in meeting such re-
25 quirements,

“(3) carrying out appropriate operational, managerial, and financial reforms on the basis of information obtained in a comprehensive cost analysis study or on the basis of other relevant information,

“(4) meeting the costs of maintaining the quality of their educational programs, and

“(5) meeting the costs of strengthening their academic resources and capabilities.

A grant under this subsection shall be made for such period as the Secretary may specify.

“(b)(1) No grant may be made under subsection (a) unless an application therefor is submitted to and approved by the Secretary. Such an application shall be in such form, submitted in such manner, and contain such information as the Secretary may prescribe.

“(2) Any grant under subsection (a) may be made upon such terms and conditions as the Secretary determines to be reasonable and necessary, including requirements that the school agree—

“(A) to disclose any financial information or data deemed by the Secretary to be necessary to determine the sources or causes of the school’s financial distress,

“(B) to conduct a comprehensive cost analysis study, and

1 “(C) to carry out appropriate operational, man-
2 agerial, and financial reforms as the Secretary may re-
3 quire, except that the Secretary shall not require
4 changes in the educational component of the school’s
5 program.

6 “(3) A recipient of a grant under subsection (a) must
7 provide assurances satisfactory to the Secretary that the re-
8 cipient will expend in carrying out its function as a school of
9 medicine, osteopathy, dentistry, public health, veterinary
10 medicine, optometry, pharmacy, or podiatry, as the case may
11 be, during each fiscal year for which such grant is awarded
12 an amount of funds (other than funds for construction, as de-
13 termined by the Secretary) from non-Federal sources which
14 is at least as great as the average amount of funds expended
15 (excluding expenditures of a nonrecurring nature) by the re-
16 cipient to carry out such functions in the two years preceding
17 the year in which the grant is awarded.

18 “(c) The Secretary may provide to any school eligible
19 for a grant under subsection (a) technical assistance to enable
20 the school to conduct a comprehensive cost analysis study of
21 its operations, to identify operational inefficiencies, and to de-
22 velop or carry out appropriate operational, managerial, and
23 financial reforms.

24 “(d) There are authorized to be appropriated for grants
25 under subsection (a), \$20,000,000 for the fiscal year ending

1 September 30, 1981, \$20,000,000 for the fiscal year ending
 2 September 30, 1982, and \$20,000,000 for the fiscal year
 3 ending September 30, 1983. Funds appropriated under this
 4 subsection shall remain available until expended.”.

5 (2) Section 788 is amended—

6 (A) by striking out subsection (b); and

7 (B) by amending subsection (e)(2) to read as
 8 follows:

9 “(2) From the sums authorized to be appropriated under
 10 paragraph (1) not more than \$5,000,000 may be obligated or
 11 expended for the purposes of subsection (a).”.

12 (g)(1) Subsections (f) and (g) of section 788 are repealed
 13 and subsections (c), (d), and (e) are redesignated as subsec-
 14 tions (b), (c) and (d), respectively.

15 (2) Subsection (d)(1) (as so redesignated) of section 788
 16 is amended by striking out “(other than the provisions of sub-
 17 sections (f) and (g))”.

18 (3) The heading for section 788 is amended to read as
 19 follows:

20 “START-UP, CONVERSION, AND CURRICULUM GRANTS”.

21 PART E—PUBLIC HEALTH PERSONNEL

22 INSTITUTIONAL SUPPORT, TRAINEESHIPS, AND OTHER

23 PROGRAMS

24 SEC. 230. Subpart I of part G of title VII is amended
 25 as follows:

1 (1) The following section is inserted at the beginning of
2 the subpart:

3 “INSTITUTIONAL SUPPORT

4 “SEC. 791. (a) GRANTS.—The Secretary shall make
5 annual grants in accordance with this section to public and
6 other nonprofit schools of public health.

7 “(b) GRANT COMPUTATION.—The amount of the
8 annual grant under subsection (a) to be made in a fiscal year
9 to a school with an approved application for such fiscal year
10 shall be an amount which bears the same ratio to the total
11 amount appropriated for such fiscal year under subsection (d)
12 as the sum of—

13 “(1) the total number of full-time students en-
14 rolled in such school in the school year beginning in
15 such fiscal year, and

16 “(2) the number of full-time equivalents of part-
17 time students in such school for such school year,
18 bears to the sum of the total number of full-time students
19 enrolled in such school year and the number of such full-time
20 equivalents for such school year in all schools of public health
21 with approved applications for such fiscal year.

22 “(c) ENROLLMENT DETERMINATIONS.—For purposes
23 of this section:

24 “(1) Section 770(c) shall apply to regulations of
25 the Secretary under this section relating to the deter-

mination of the number of full-time students enrolled in a school eligible for a grant under subsection (a).

“(2) The number of full-time equivalents of part-time students in a school of public health for any school year is a number equal to—

“(A) the total number of credit hours of instruction in such year for which part-time students in such school, who are pursuing a course of study leading to a graduate degree in public health or an equivalent degree, have enrolled, divided by

“(B) the greater of (i) the number of credit hours of instruction which a full-time student in such school was required to take in such year, or (ii) 9,

rounded to the next highest whole number.

“(3) The term ‘full-time students’ (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study leading to a graduate degree in public health or an equivalent degree.

“(d) AUTHORIZATIONS OF APPROPRIATIONS.—For the purpose of making grants under subsection (a) there are authorized to be appropriated \$7,000,000 for the fiscal year ending September 30, 1981, \$8,000,000 for the fiscal year

1 ending September 30, 1982, and \$9,000,000 for the fiscal
2 year ending September 30, 1983.

3 “(e) GRANT REQUIREMENTS.—The Secretary shall not
4 make a grant under subsection (a) to any school in a fiscal
5 year beginning after September 30, 1980, unless—

6 “(1) the application for the grant contains, or is
7 supported by, assurances satisfactory to the Secretary
8 that the applicant will expend in carrying out its func-
9 tions as a school of public health during the fiscal year
10 for which such grant is sought, an amount of funds
11 (other than funds for construction as determined by the
12 Secretary) from non-Federal sources which is at least
13 as great as the amount of funds expended by such ap-
14 plicant for such purpose (excluding expenditures of a
15 nonrecurring nature) in the fiscal year preceding the
16 fiscal year for which such grant is sought; and

17 “(2) the school maintains an enrollment of full-
18 time first-year students, for the school year beginning
19 in the fiscal year for which a grant under subsection (a)
20 is sought, which exceeds the number of full-time stu-
21 dents enrolled in such school in the school year begin-
22 ning in the fiscal year ending September 30, 1978—

23 “(A) by 5 percent of such number if such
24 number was not more than 100, or

1 “(B) by 2.5 percent of such number, or 5
2 students, whichever is greater, if such number
3 was more than 100.

4 The Secretary may waive (in whole or in part) application of
5 the requirements of paragraph (2) to a school if the Secretary
6 determines, after receiving the written recommendation of
7 the appropriate accreditation body or bodies (approved for
8 such purposes by the Secretary of Education) that compli-
9 ance by such school with such requirement will prevent it
10 from maintaining its accreditation.

11 “(f) APPLICATIONS.—

12 “(1) No grant may be made under subsection (a)
13 unless an application therefor is submitted to and ap-
14 proved by the Secretary. The Secretary may from time
15 to time set dates (not earlier than in the fiscal year
16 preceding the year for which a grant is sought) by
17 which such applications must be filed.

18 “(2) To be eligible for a grant under subsection (a)
19 the applicant must be accredited as determined in ac-
20 cordance with section 772(b).

21 “(3) The Secretary shall not approve or disap-
22 prove any application for a grant under subsection (a)
23 except after consultation with the National Advisory
24 Council on Health Professions Education (established
25 by section 702).

1 “(4) A grant under subsection (a) may be made
2 only if the application therefor—

3 “(A) is approved by the Secretary upon his
4 determination that the applicant (and its applica-
5 tion) meet the eligibility conditions prescribed by
6 subsection (e) and paragraph (2) of this subsection;

7 “(B) contains such additional information as
8 the Secretary may require to make the determina-
9 tions required of him under subsection (a); and

10 “(C) provides for such fiscal control and ac-
11 counting procedures and reports, including the use
12 of such standard procedures for the recording and
13 reporting of financial information as the Secretary
14 may prescribe, and access to the records of the
15 applicant, as the Secretary may require to enable
16 him to determine the costs to the applicant of its
17 program for the education or training of
18 students.”.

19 (2) Section 748 is transferred to the subpart, inserted
20 after the section 791 added by paragraph (1), redesignated as
21 section 792, in subsection (a)(2) amended by striking out
22 “749” and inserting in lieu thereof “794B”, in subsection
23 (b)(3)(A)(i) amended by striking out “postbaccalaureate” and
24 inserting in lieu thereof “baccalaureate”, and in subsection
25 (c) amended (A) by striking out “and” after “1979;”, and (B)

1 by inserting before the period a semicolon and the following:
 2 “\$8,000,000 for the fiscal year ending September 30, 1981,
 3 \$9,000,000 for the fiscal year ending September 30, 1982,
 4 and \$10,000,000 for the fiscal year ending September 30,
 5 1983”.

6 (3) The section 792 entitled “SPECIAL PROJECTS FOR
 7 ACCREDITED SCHOOLS OF PUBLIC HEALTH AND GRADUATE
 8 PROGRAMS IN HEALTH ADMINISTRATION” is inserted after
 9 the section inserted by paragraph (2), redesignated as section
 10 793, and is amended (A) in the section heading by striking
 11 out “AND GRADUATE PROGRAMS IN HEALTH ADMINISTRA-
 12 TION”, (B) by striking out subsection (b) and redesignating
 13 subsection (c) as subsection (b), and (C) in subsection (b) (as
 14 so redesignated) by (i) striking out “and” after “1979;”, and
 15 (ii) by inserting after “1980” the following: “; \$5,000,000
 16 for the fiscal year ending September 30, 1981; \$5,500,000
 17 for the fiscal year ending September 30, 1982; and
 18 \$6,000,000 for the fiscal year ending September 30, 1983”.

19 (4) The following section is inserted after section 793
 20 (as so redesignated):

21 “MIDCAREER TRAINING AND EDUCATION

22 “SEC. 794. (a) The Secretary may make grants to and
 23 enter into contracts with public and nonprofit private entities
 24 for the establishment, operation, and administration of cen-
 25 ters to provide intensive, short-term, advanced training, to

1 individuals with demonstrated expertise in health policy and
2 management, in—

3 “(1) health systems management,

4 “(2) health policy, planning, and regulation,

5 “(3) environmental policy and management,

6 “(4) financial management and strategy in health
7 care,

8 “(5) the management of collaboration between
9 health care entities,

10 “(6) the management of small health care entities
11 in inner cities and rural areas, and

12 “(7) other matters which will increase the capa-
13 bilities of such individuals and broaden their perspec-
14 tives in carrying out their functions.

15 “(b)(1) The amount of any grant or contract under sub-
16 section (a) shall be determined by the Secretary. No grant
17 may be made or contract entered into unless an application
18 therefor is submitted to and approved by the Secretary. Such
19 an application shall be in such form, submitted in such
20 manner, and contain such information, as the Secretary shall
21 by regulation prescribe.

22 “(2) The Secretary shall, to the extent feasible, make
23 grants and enter into contracts under subsection (a) for cen-
24 ters in such a manner that there is an appropriate geographic
25 distribution of the centers.

1 “(c) For the purpose of making grants and contracts
2 under subsection (a) there are authorized to be appropriated
3 \$1,500,000 for the fiscal year ending September 30, 1981,
4 \$2,500,000 for the fiscal year ending September 30, 1982,
5 and \$3,000,000 for the fiscal year ending September 30,
6 1983.”.

7 (5) The section 791 entitled “GRANTS FOR GRADUATE
8 PROGRAMS IN HEALTH ADMINISTRATION” is inserted after
9 the section added by paragraph (4), redesignated as section
10 794A, and is amended as follows:

11 (A) Subsection (c)(2)(A)(i)(II) is amended by strik-
12 ing out “\$100,000” and inserting in lieu thereof
13 “\$150,000”.

14 (B) Subsection (c)(2)(A)(ii) is amended—

15 (i) by striking out “1978” and inserting in
16 lieu thereof “1981”; and

17 (ii) by striking out “1976” and inserting in
18 lieu thereof “1980”.

19 (C) Subsection (c)(2)(A) is amended—

20 (i) by striking out “and” at the end of clause

21 (ii)(II); and

22 (ii) by redesignating clause (iii) as clause (iv)
23 and by inserting the following new clause after
24 clause (ii):

1 “(iii) contains assurances satisfactory to the Sec-
 2 retary that the program for which such application was
 3 submitted shall provide a concentration or special em-
 4 phasis on one or more of the following:

- 5 “(I) health planning,
- 6 “(II) health policy,
- 7 “(III) ambulatory care services,
- 8 “(IV) long-term care,
- 9 “(V) home health care,
- 10 “(VI) multi-unit care systems,
- 11 “(VII) comprehensive prepaid service
- 12 systems,
- 13 “(VIII) mental health administration, and
- 14 “(IX) any other health care delivery system
- 15 determined by the Secretary to require special
- 16 emphasis; and”.

17 (D) Subsection (c)(3) is amended by striking out
 18 “Commissioner” and inserting in lieu thereof
 19 “Secretary”.

20 (E) Subsection (d) is amended—

- 21 (i) by striking out “and” after “1979,”; and
- 22 (ii) by inserting after 1980 the following: “,
- 23 \$4,000,000 for the fiscal year ending September
- 24 30, 1981, \$4,500,000 for the fiscal year ending

1 September 30, 1982, and \$5,000,000 for the
2 fiscal year ending September 30, 1983”.

3 (6) Section 749 is inserted after the section inserted by
4 paragraph (5), redesignated as section 794B, in subsection
5 (b)(3)(A) amended by striking out “postbaccalaureate” and
6 inserting in lieu thereof “baccalaureate”, and in subsection
7 (c) amended (A) by striking out “and” after “1979;”, and (B)
8 by inserting before the period a semicolon and the following:
9 “\$2,500,000 for the fiscal year ending September 30, 1981;
10 \$3,000,000 for the fiscal year ending September 30, 1982;
11 and \$3,500,000 for the fiscal year ending September 30,
12 1983”.

13 (7) The following sections are inserted after section
14 749B (as so redesignated):

15 “GRANTS TO DEPARTMENTS OF PREVENTIVE OR
16 COMMUNITY MEDICINE OR DENTISTRY

17 “SEC. 794C. (a) The Secretary may make grants to
18 schools of medicine, dentistry, and osteopathy for the costs of
19 projects—

20 “(1) to establish, maintain, and improve academic
21 administrative units in preventive or community medi-
22 cine or dentistry;

23 “(2) to improve predoctoral and postdoctoral in-
24 struction in preventive, community, or occupational
25 medicine or dentistry;

1 “(3) to plan, develop, and operate joint programs
2 between academic administrative units in preventive or
3 community medicine or dentistry and such units in
4 other clinical specialties, which programs integrate the
5 teaching of clinical preventive, community, or occupa-
6 tional medicine or dentistry within clinical programs
7 for other medical or dental disciplines; and

8 “(4) to plan, develop, and operate special pro-
9 grams to train teachers and researchers in the fields of
10 preventive, community, or occupational medicine or
11 dentistry.

12 “(b)(1) The amount of any grant under subsection (a)
13 shall be determined by the Secretary. No grant may be made
14 under subsection (a) unless an application therefor is submit-
15 ted to and approved by the Secretary. Such an application
16 shall be in such form, submitted in such manner, and contain
17 such information, as the Secretary shall by regulation
18 prescribe.

19 “(2) To be eligible for a grant under subsection (a), an
20 applicant school must have, or demonstrate an intention to
21 establish, an academic administrative unit in preventive or
22 community medicine or dentistry or an academic or adminis-
23 trative unit which has the primary responsibility, within that
24 medical, dental, or osteopathic school, for teaching the princi-
25 ples of preventive or community medicine or dentistry.

1 “(c) For the purpose of making grants under subsection
2 (a), there are authorized to be appropriated \$2,000,000 for
3 the fiscal year ending September 30, 1981; \$3,000,000 for
4 the fiscal year ending September 30, 1982; and \$4,000,000
5 for the fiscal year ending September 30, 1983.

6 “TRAINING IN PREVENTIVE MEDICINE

7 “SEC. 794D. (a) The Secretary may make grants to
8 schools of medicine and schools of public health to meet the
9 costs of projects—

10 “(1) to plan and develop new residency training
11 programs and to develop and expand accredited resi-
12 dency training programs in preventive medicine; and

13 “(2) to provide financial assistance to residency
14 trainees enrolled in such programs.

15 “(b)(1) The amount of any grant under subsection (a)
16 shall be determined by the Secretary. No grant may be made
17 under subsection (a) unless an application therefor is submit-
18 ted to and approved by the Secretary. Such an application
19 shall be in such form, submitted in such manner, and contain
20 such information, as the Secretary shall by regulation
21 prescribe.

22 “(2) To be eligible for a grant under subsection (a), the
23 applicant must demonstrate to the Secretary that it has or
24 will have available full-time faculty members with training
25 and experience in the fields of preventive medicine and sup-

1 port from other faculty members trained in public health and
2 other relevant specialties and disciplines.

3 “(c) For the purpose of making grants under subsection
4 (a), there are authorized to be appropriated \$6,000,000 for
5 the fiscal year ending September 30, 1981; \$7,000,000 for
6 the fiscal year ending September 30, 1982; and \$8,000,000
7 for the fiscal year ending September 30, 1983.

8 “SPECIAL CURRICULA DEVELOPMENT PROJECTS FOR
9 GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

10 “SEC. 794E. (a) The Secretary may make grants to
11 assist education institutions with accredited programs in
12 health administration to meet the costs of developing curricu-
13 la designed to improve training in health care management.
14 Such curricula may include—

15 “(1) finance (particularly as applied to health
16 care);

17 “(2) marketing (particularly as applied to health
18 care);

19 “(3) economics (including macro-economics and
20 micro-economics, and with special emphasis on health
21 economics);

22 “(4) epidemiology and health planning;

23 “(5) health policy, law, and regulation;

24 “(6) quality assurance and assessment;

25 “(7) information systems;

1 “(8) health services organization and management
2 for students in health disciplines other than health ad-
3 ministration; and

4 “(9) management of ambulatory care services.

5 “(b) For purposes of subsection (a), the term ‘accredited
6 program in health administration’ means a graduate program
7 which is accredited for the purpose of training individuals in
8 health administration by a body or bodies approved for such
9 purpose by the Secretary of Education and which meets such
10 other standards as the Secretary of Education may by regu-
11 lation prescribe.

12 “(c) For the purpose of making grants under subsection
13 (a), there are authorized to be appropriated \$3,000,000 for
14 the fiscal year ending September 30, 1981, \$4,000,000 for
15 the fiscal year ending September 30, 1982, and \$5,000,000
16 for the fiscal year ending September 30, 1983.

17 “FACULTY DEVELOPMENT PROGRAMS

18 “SEC. 794F. (a) The Secretary may make grants to
19 assist accredited schools of public health and other education
20 institutions with accredited programs in health administration
21 to meet the costs of establishing and operating faculty devel-
22 opment programs. Such faculty development program shall—

23 “(1) train individuals in management or other dis-
24 ciplines that are, in the judgment of the Secretary,
25 underrepresented in programs of health administration

1 and necessary to improve training in health care man-
2 agement; and

3 “(2) train individuals experienced in such disci-
4 plines with respect to health care issues relating to the
5 teaching of health administration.

6 “(b) No grant may be made under subsection (a) unless
7 an application therefor is submitted to and approved by the
8 Secretary. Such an application shall be in such form, be sub-
9 mitted in such manner, and contain such information as the
10 Secretary shall prescribe. The Secretary may not approve an
11 application for a grant under subsection (a) unless such appli-
12 cation contains assurances satisfactory to the Secretary that
13 at least three individuals shall complete the program in each
14 year for which an application is made.

15 “(c) Grant funds awarded under subsection (a) shall be
16 used to provide 12 month fellowships to individuals who—

17 “(1) have received a doctoral degree or equivalent
18 professional recognition in a discipline determined by
19 the Secretary to be underrepresented in programs of
20 health administration and necessary to improve train-
21 ing in health care management; and

22 “(2) agree to serve as a faculty member for a
23 period of not less than two years in an accredited
24 school of public health or other educational program
25 with accredited programs in health administration.

“(d) For the purpose of making grants under subsection (a), there are authorized to be appropriated \$1,000,000 for the fiscal year ending September 30, 1981, \$1,000,000 for the fiscal year ending September 30, 1982, and \$1,000,000 for the fiscal year ending September 30, 1983.”.

(8) The section 793 entitled “Statistics and Annual Report” is inserted after section 794F and redesignated as section 794G.

9 STUDY

10 SEC. 231. (a) The Secretary of Health and Human
11 Services shall, in consultation with the Administrator of the
12 Environmental Protection Agency and the Secretary of
13 Labor and on an ongoing basis, assess and identify—

(1) current and projected personnel needs for the implementation of Federal, State, and local environmental protection and occupational health laws, and

(2) current and projected personnel needs of environmental and occupational health.

19 (b) The Secretary of Health and Human Services
20 shall—

(1) study and assess the policies, programs, and activities of the Department of Health and Human Services, the Department of Labor, the Environmental Protection Agency, and other Federal departments and agencies for the education (including continuing educa-

1 tion) and training of the personnel of such departments
2 and agencies in environmental and occupational health
3 and in the implementation of environmental protection
4 and occupational health laws and the training programs
5 of such departments and agencies (and their policies re-
6 specting such programs) under which persons engaged
7 in the implementation of such laws would be able to
8 receive training in environmental and occupational
9 health and persons engaged in research or providing
10 training in environmental and occupational health
11 would be able to receive training in the implementation
12 of environmental protection and occupational health
13 laws;

14 (2) study and assess methods by which the Secre-
15 tary and the Administrator of the Environmental Pro-
16 tection Agency may provide technical assistance to
17 other Federal departments and agencies and to States
18 and political subdivisions of States to assist them in the
19 development of programs to identify their respective
20 needs for personnel to implement their environmental
21 protection and occupational health laws, methods of as-
22 sisting States to plan to meet such needs, and methods
23 of assisting States in meeting such needs;

24 (3) study and assess the efficacy of the establish-
25 ment, jointly by the Federal Government and the

1 States, of a register (A) of personnel with training or
2 substantial experience in environmental health and in
3 the implementation of environmental protection laws
4 and of the types of positions available to such person-
5 nel, and (B) of personnel with training or substantial
6 experience in occupational health and in the implemen-
7 tation of occupational health laws and of the types of
8 positions available to such personnel;

9 (4) study and assess programs to encourage inno-
10 vation in the curricula for education and training in
11 educational institutions, including schools of medicine,
12 osteopathy, and public health, in environmental and oc-
13 cupational health and in education and training in the
14 implementation of environmental protection and occu-
15 pational health laws;

16 (5) study and assess programs to encourage and
17 enable individuals with training in environmental or oc-
18 cupational health or in the implementation of environ-
19 mental protection or occupational health laws to under-
20 take such additional education or training, such as spe-
21 cialized post-graduate education, as may be necessary
22 to enable them to fill personnel needs in positions in
23 environmental or occupational health or in the imple-
24 mentation of environmental protection or occupational
25 health laws;

1 (6) identify geographical areas where training in
2 environmental and occupational health or in the imple-
3 mentation of environmental protection and occupational
4 health laws is insufficient and determine the most ef-
5 fective means of providing such training to individuals
6 in such areas;

7 (7) determine the most effective and expeditious
8 means of encouraging individuals to undertake educa-
9 tion and training in environmental and occupational
10 health and in the implementation of environmental pro-
11 tection and occupational health laws and encouraging
12 individuals with such training and education to obtain
13 positions in environmental or occupational health or in
14 the implementation of such laws and to remain in such
15 positions;

16 (8) determine if a requirement of service in an un-
17 derserved area as a condition to the receipt of Federal
18 financial assistance (A) affects the number of individ-
19 uals applying for such assistance, (B) encourages indi-
20 viduals to undertake education and training in environ-
21 mental and occupational health and in the implementa-
22 tion of environmental protection and occupational
23 health laws, (C) encourages individuals to remain in an
24 underserved area, and (D) will be met by individuals
25 receiving such assistance; and

1 (9) determine the extent of the cooperation and
2 coordination between the Department of Health and
3 Human Services, the Environmental Protection
4 Agency, and the Occupational Safety and Health Ad-
5 ministration in the performance of their respective
6 functions relating to the education and training of per-
7 sonnel for the administration and enforcement of envi-
8 ronmental protection and occupational health laws or
9 for other positions in environmental and occupational
10 health and identify areas where such functions and
11 agencies are duplicative or conflicting.

12 (c) The Secretary shall report annually to the Congress
13 respecting the activities undertaken pursuant to subsection
14 (a). Within two years after the date of enactment of the first
15 appropriation for the Secretary, the Secretary shall report to
16 the Congress respecting the Secretary's activities under sub-
17 section (b). Each report under this subsection shall contain
18 such recommendations as the Secretary determines appropri-
19 ate for administrative actions and legislation to carry out the
20 recommendations of the Secretary. The Department of
21 Labor, the Environmental Protection Agency, and the Occu-
22 pational Safety and Health Administration shall be provided
23 copies of reports made by the Secretary under this
24 subsection.

1 (d) There are authorized to be appropriated to carry out
2 this section \$1,000,000 for the fiscal year ending September
3 30, 1981, \$1,000,000 for the fiscal year ending September
4 30, 1982, and \$1,000,000 for the fiscal year ending Septem-
5 ber 30, 1983.

6 PART F—ALLIED HEALTH PERSONNEL

7 PROJECT GRANTS

8 SEC. 235. Section 796(d)(1) (42 U.S.C. 295h-5) is
9 amended (1) by striking out “and” after “1979;”, and (2) by
10 inserting after “1980” the following: “; \$9,000,000 for the
11 fiscal year ending September 30, 1981; \$9,500,000 for the
12 fiscal year ending September 30, 1982; and \$10,000,000 for
13 the fiscal year ending September 30, 1983”.

14 TRAINEESHIPS

15 SEC. 236. Section 797(c) (42 U.S.C. 295h-6) is amend-
16 ed (1) by striking out “and” after “1979;”, and (2) by insert-
17 ing after “1980” the following: “; \$1,300,000 for the fiscal
18 year ending September 30, 1981; \$1,400,000 for the fiscal
19 year ending September 30, 1982; and \$1,500,000 for the
20 fiscal year ending September 30, 1983”.

21 ASSISTANCE TO DISADVANTAGED INDIVIDUALS

22 SEC. 237. Section 798(c) (42 U.S.C. 295h-7) is amend-
23 ed (1) by striking out “and” after “1979;”, and (2) by insert-
24 ing after “1980” the following: “, \$1,000,000 for the fiscal
25 year ending September 30, 1981, \$1,000,000 for the fiscal

1 year ending September 30, 1982, and \$1,000,000 for the
2 fiscal year ending September 30, 1983”.

3 DEFINITION

4 SEC. 238. Section 795(2)(A) (42 U.S.C. 295h-4(2)(A))
5 is amended (1) by striking out “medical technology, optomet-
6 ric technology, dental hygiene, or in any of such other of”
7 and inserting in lieu thereof “such of”, and (2) in clause (ii)
8 by striking out “optometric technology, dental hygiene, or
9 such other curricula” and inserting in lieu thereof “such
10 curricula”.

11 TITLE III—NURSE TRAINING

12 CONSTRUCTION

13 SEC. 301. (a)(1) Section 801 (42 U.S.C. 296) is
14 amended (A) by inserting “in health manpower shortage
15 areas designated under section 332” after “nursing”, (B) by
16 striking out “and” after “1978,”, and (C) by inserting after
17 “1980” the following: “, \$1,000,000 for the fiscal year
18 ending September 30, 1981, \$1,000,000 for the fiscal year
19 ending September 30, 1982, and \$1,000,000 for the fiscal
20 year ending September 30, 1983”.

21 (2) Section 802(b)(1) (42 U.S.C. 296a(b)(1)) is amended
22 by inserting “in a health manpower shortage area designated
23 under section 332” before the semicolon.

24 (b) Section 805(a) (42 U.S.C. 296d(a)) is amended by
25 striking out “1980” and inserting in lieu thereof “1983”.

INSTITUTIONAL SUPPORT

SEC. 302. (a) Effective with respect to appropriations under section 810(f) of the Public Health Service Act for fiscal years beginning after September 30, 1980, section 810(a) (42 U.S.C. 296e(a)) is amended by striking out paragraphs (1), (2), and (3) and inserting in lieu thereof the following:

“(1)(A) For the fiscal year ending September 30, 1981, each collegiate school of nursing shall receive an amount equal to the product of—

“(i) \$200, and

“(ii) the sum of (I) the number of full-time students enrolled in each of the last two years of such school in the fiscal year for which the grant is to be made, and (II) the number of full-time equivalents of part-time students for such school for such fiscal year.

“(B) For the fiscal year ending September 30, 1982, each collegiate school of nursing shall receive an amount equal to the product of \$210 and the sum described in subparagraph (A)(ii).

“(C) For the fiscal year ending September 30, 1983, each collegiate school of nursing shall receive an amount equal to the product of \$220 and the sum described in subparagraph (A)(ii).

1 “(2)(A) For the fiscal year ending September 30,
2 1981, each associate degree school of nursing and each
3 diploma school of nursing shall receive an amount
4 equal to the product of—

5 “(i) \$200, and

6 “(ii) the sum of (I) the number of full-time
7 students enrolled in such school in the fiscal year
8 for which the grant is to be made, and (II) the
9 number of full-time equivalents of part-time stu-
10 dents for such school for such fiscal year.

11 “(B) For the fiscal year ending September 30,
12 1982, each such school of nursing shall receive an
13 amount equal to the product of \$210 and the sum de-
14 scribed in subparagraph (A)(ii).

15 “(C) For the fiscal year ending September 30,
16 1983, each such school of nursing shall receive an
17 amount equal to the product of \$220 and the sum de-
18 scribed in subparagraph (A)(ii).”.

19 (b) Section 810(c)(2) is amended—

20 (1) in subparagraph (A), by striking out “June 30,
21 1975” and all that follows in that subparagraph and
22 inserting in lieu thereof “September 30, 1979, by 15
23 percent or 10 students, whichever is greater.”;

24 (2) by amending subparagraph (B) to read as
25 follows:

1 “(B) In the case of a collegiate school of nursing,
2 the school has provided reasonable assurances to the
3 Secretary that it will carry out, in accordance with a
4 plan submitted by the school to the Secretary and ap-
5 proved by the Secretary, in the school year beginning
6 in the fiscal year in which such grant is to be made
7 and in each school year thereafter beginning in a fiscal
8 year in which such a grant is made, a program for the
9 training of nurse practitioners (as defined in section
10 822).”; and

11 (3) by adding after subparagraph (B) the
12 following:

13 “(C) The application of the school for such grant
14 contains or is supported by reasonable assurances satis-
15 factory to the Secretary that it will carry out, in ac-
16 cordance with a plan submitted by the school to the
17 Secretary and approved by the Secretary, in the school
18 year beginning in the fiscal year in which such grant is
19 to be made and in each school year thereafter begin-
20 ning in a fiscal year in which such a grant is made, a
21 program to identify, recruit, enroll, retain, and gradu-
22 ate individuals from disadvantaged backgrounds (as de-
23 termined in accordance with criteria prescribed by the
24 Secretary) under which program at least 20 percent of

1 each year's entering full-time students (or ten students,
2 whichever is greater) is comprised of such individuals.

3 “(D) In the case of a collegiate school of nursing,
4 the application of the school for such grant contains or
5 is supported by reasonable assurances satisfactory to
6 the Secretary that in the school year beginning in the
7 fiscal year in which such grant is to be made and in
8 each school year thereafter beginning in a fiscal year in
9 which such a grant is made at least 20 percent of each
10 year's entering full-time students (or ten students,
11 whichever is greater) shall be comprised of individuals
12 who have a degree from an associate degree school of
13 nursing or a diploma or equivalent indicia from a diplo-
14 ma school of nursing.

15 “(E) In the case of an associate degree school of
16 nursing or a diploma school of nursing, the application
17 of the school for such grant contains or is supported by
18 reasonable assurances satisfactory to the Secretary
19 that in the school year beginning in the fiscal year in
20 which such grant is to be made and in each school
21 year thereafter beginning in a fiscal year in which such
22 a grant is made at least 20 percent of each year's en-
23 tering full-time students (or ten students, whichever is
24 greater) shall be comprised of individuals who are li-
25 censed practical or vocational nurses.

1 “(F) The application of the school for such grant
2 contains or is supported by reasonable assurances satis-
3 factory to the Secretary that in the school year begin-
4 ning in the fiscal year in which such grant is to be
5 made and in each school year thereafter beginning in a
6 fiscal year in which such a grant is made the number
7 of part-time students enrolled in the school in its pro-
8 gram leading to the degree or diploma or equivalent in-
9 dicia which it awards will be at least 20 percent of all
10 the students enrolled in the school in such program.”.

11 (c) Section 810(d) is amended (1) by striking out “part
12 D” each place it occurs and inserting in lieu thereof “part
13 B”, and (2) by adding after paragraph (2) the following:

14 “(3) The number of full-time equivalents of part-
15 time students for a school of nursing for any school
16 year is a number equal to—

17 “(A) the total number of credit hours of in-
18 struction in such year for which part-time stu-
19 dents of such school, who are pursuing a course
20 of study leading to a degree or diploma or equiva-
21 lent indicia, have enrolled, divided by

22 “(B) the number of credit hours of instruc-
23 tion which a full-time student of such school was
24 required to take in such year,

1 rounded to the next highest whole number, except that
 2 in the case of a collegiate school of nursing, only the
 3 credit hours of instruction in courses offered to stu-
 4 dents who are enrolled in the third or fourth year pro-
 5 gram of instruction of such school shall be considered
 6 in making the computation under subparagraph (A).”.

7 (d) Section 810(f) is amended (1) by striking out “and”
 8 after “1978,”, and (2) by inserting after “1980” the follow-
 9 ing: “, \$25,000,000 for the fiscal year ending September 30,
 10 1981, \$27,500,000 for the fiscal year ending September 30,
 11 1982, and \$30,000,000 for the fiscal year ending September
 12 30, 1983”.

13 (e) The heading for section 810 is amended to read as
 14 follows:

15 “INSTITUTIONAL SUPPORT”.

16 SPECIAL PROJECTS

17 SEC. 303. (a)(1) Section 820(a) (42 U.S.C. 296k(a)) is
 18 amended (A) by striking out paragraphs (1), (2), and (8), (B)
 19 by inserting “or” at the end of paragraph (6), (C) in para-
 20 graph (7) by striking out “, nursing assistants, and other
 21 paraprofessional nursing personnel; or” and inserting in lieu
 22 thereof a period, and (D) by redesignating paragraphs (3), (4),
 23 (5), (6), and (7) as paragraphs (1), (2), (3), (4), and (5),
 24 respectively.

1 (2) Notwithstanding the amendment made by paragraph
2 (1), an entity which received a grant or contract under sec-
3 tion 820(a) of the Public Health Service Act for the fiscal
4 year ending September 30, 1980, for a project described in
5 paragraph (1), (2), or (8) of such section (as in effect when it
6 received the grant or contract) may receive one additional
7 grant or contract under such section for such project.

8 (b) Section 820(d) is amended—

9 (1) by striking out “and” after “1978,” and by
10 inserting after “1980” the following: “, \$15,000,000
11 for the fiscal year ending September 30, 1981,
12 \$17,500,000 for the fiscal year ending September 30,
13 1982, and \$20,000,000 for the fiscal year ending Sep-
14 tember 30, 1983”; and

15 (2) by amending the last sentence to read as fol-
16 lows: “Of the funds appropriated under this subsection
17 for any fiscal year beginning after September 30,
18 1980, not less than 20 percent of the funds shall be
19 obligated for payments under grants and contracts for
20 special projects described in subsection (a)(1) and not
21 less than 20 percent of the funds shall be obligated for
22 payments under grants and contracts for special proj-
23 ects described in subsection (a)(4).”.

1 ADVANCED NURSE TRAINING

2 SEC. 304. (a) Section 821(a)(1) (42 U.S.C. 296l(a)(1)) is
3 amended by striking out "to each" and inserting in lieu
4 thereof "to teach".

5 (b) Section 821(b) is amended (1) by striking out "and"
6 after "1978," and (2) by inserting after "1980" the follow-
7 ing: " , \$12,000,000 for the fiscal year ending September 30,
8 1981, \$13,500,000 for the fiscal year ending September 30,
9 1982, and \$15,000,000 for the fiscal year ending September
10 30, 1983".

11 NURSE PRACTITIONER PROGRAMS

12 SEC. 305. (a) Section 822(b)(1) (42 U.S.C. 296m(b)(1))
13 is amended by striking out "who are residents of a health
14 manpower shortage area (designated under section 332)" and
15 inserting in lieu thereof a period and the following: "In
16 considering applications for a grant or contract under this
17 subsection, the Secretary shall give special consideration to
18 applications for traineeships to train individuals who are resi-
19 dents of health manpower shortage areas designated under
20 section 332."

21 (b)(1) Section 822(b)(3) is amended by inserting before
22 the period the following: "for a period equal to one month for
23 each month for which the recipient receives such a
24 traineeship".

1 (2) Section 822(b) is amended by adding after paragraph
2 (3) the following:

3 “(4)(A) If, for any reason, an individual who received a
4 traineeship under paragraph (1) fails to complete a service
5 obligation under paragraph (3), such individual shall be liable
6 for the payment of an amount equal to the cost of tuition and
7 other education expenses and other payments paid under the
8 traineeship, plus interest at the maximum legal prevailing
9 rate.

10 “(B) When an individual who received a traineeship is
11 academically dismissed or voluntarily terminates academic
12 training, such individual shall be liable for repayment to the
13 Government for an amount equal to the cost of tuition and
14 other educational expenses paid to or for such individual from
15 Federal funds plus any other payments which were received
16 under the traineeship.

17 “(C) Any amount which the United States is entitled to
18 recover under subparagraph (A) or (B) shall, within the
19 three-year period beginning on the date the United States
20 becomes entitled to recover such amount, be paid to the
21 United States.

22 “(D) The Secretary shall by regulation provide for the
23 waiver or suspension of any obligation under subparagraph
24 (A) or (B) applicable to any individual whenever compliance
25 by such individual is impossible or would involve extreme

1 hardship to such individual and if enforcement of such obliga-
2 tion with respect to any individual would be against equity
3 and good conscience.”.

4 (3) The amendments made by paragraphs (1) and (2)
5 shall apply with respect to traineeships which are awarded
6 under section 822(b) of the Public Health Service Act after
7 the date of the enactment of this Act.

8 (c) Section 822(e) is amended (1) by striking out “and”
9 after “1978,”, and (2) by inserting after “1980” the follow-
10 ing: “, \$17,000,000 for the fiscal year ending September 30,
11 1981, \$18,500,000 for the fiscal year ending September 30,
12 1982, and \$20,000,000 for the fiscal year ending September
13 30, 1983”.

14 TRAINEESHIPS

15 SEC. 306. (a)(1) Subparagraph (C) of section 830(a)(1)
16 (42 U.S.C. 297(a)(1)) is amended to read as follows:

17 “(C) to serve as nurse midwives, or”.

18 (2) An individual who received a traineeship under sec-
19 tion 830(a) of the Public Health Service Act for the fiscal
20 year ending September 30, 1980, to receive training to serve
21 as a nurse practitioner may, notwithstanding the amendment
22 made by paragraph (1), receive additional traineeships under
23 that section to complete the training to be a nurse
24 practitioner.

25 (b) Section 830(b) is amended—

1 (1) by striking out "and" after "1978," and by
2 inserting after "1980" the following: " , \$15,000,000
3 for the fiscal year ending September 30, 1981,
4 \$17,500,000 for the fiscal year ending September 30,
5 1982, and \$20,000,000 for the fiscal year ending Sep-
6 tember 30, 1983"; and

7 (2) by adding at the end the following: "Not less
8 than 50 percent of the funds appropriated under this
9 subsection for any fiscal year shall be obligated for
10 traineeships described in subsection (a)(1)(A), except
11 that if the obligation of that amount of the funds ap-
12 propriated under this subsection will prevent the Secre-
13 tary from continuing a traineeship to an individual who
14 received a traineeship under subsection (a) for the fiscal
15 year ending September 30, 1980, the Secretary shall
16 reduce the amount to be obligated for traineeships de-
17 scribed in subsection (a)(1)(A) by such amount as may
18 be necessary for the continuation of traineeships first
19 awarded in such fiscal year."

20 NURSE ANESTHETISTS

21 SEC. 307. Section 831(b) (42 U.S.C. 297-1(b)) is
22 amended by inserting after "1980" the following: " ,
23 \$2,000,000 for the fiscal year ending September 30, 1981,
24 \$3,000,000 for the fiscal year ending September 30, 1982,

1 and \$4,000,000 for the fiscal year ending September 30,
2 1983”.

3 STUDENT LOANS

4 SEC. 308. (a) Section 835(b)(4) (42 U.S.C. 297a(b)(4)) is
5 amended by striking out “1980” and inserting in lieu thereof
6 “1983”.

7 (b)(1) Section 836(b)(1)(A) is amended by inserting after
8 “(A)” the following: “is in exceptionally needy circumstances
9 or is from a low-income or disadvantaged family (as those
10 terms are defined by regulations under subsection (j)) and”.

11 (2) The amendment made by paragraph (1) shall not
12 apply with respect to any loan under subpart II of part B of
13 title VIII of the Public Health Service Act to students who
14 received such a loan before the date of the enactment of this
15 Act.

16 (3) Section 836(b)(5) is amended by striking out “3” and
17 inserting in lieu thereof “6”.

18 (c) Section 837 (42 U.S.C. 297c) is amended (1) by
19 striking out “and” after “1978,” (2) by inserting after “Sep-
20 tember 30, 1980” the following: “, \$15,000,000 for the
21 fiscal year ending September 30, 1981, \$17,500,000 for the
22 fiscal year ending September 30, 1982, and \$20,000,000 for
23 the fiscal year ending September 30, 1983”, (3) by striking
24 out “1981” in the second sentence and inserting in lieu

1 thereof “1984”, and (4) by striking out “October 1, 1980”
 2 and inserting in lieu thereof “October 1, 1983”.

3 (d) Section 839 (42 U.S.C. 297e) is amended by striking
 4 out “1983” each place it occurs and inserting in lieu thereof
 5 “1986”.

6 SCHOLARSHIPS

7 SEC. 309. Section 845 (42 U.S.C. 297j) is amended (1)
 8 by striking out “next four fiscal years” in subsections (b) and
 9 (c)(1)(A) and inserting in lieu thereof “next seven fiscal
 10 years”, (2) by striking out “1981” in subsections (b) and
 11 (c)(1)(B) and inserting in lieu thereof “1984”, and (3) by
 12 striking out “1980” in subsections (b) and (c)(1)(B) and in-
 13 serting in lieu thereof “1983”.

14 TECHNICAL

15 SEC. 310. Section 851(a) (42 U.S.C. 298(a)) is amended
 16 by striking out “, and the Commissioner of Education, both
 17 of whom shall be ex officio members” and inserting in lieu
 18 thereof “and an ex officio member”.

19 TITLE IV—GRADUATE MEDICAL EDUCATION

20 NATIONAL ADVISORY COMMITTEE

21 GRADUATE MEDICAL EDUCATION NATIONAL ADVISORY

22 COMMITTEE

23 SEC. 401. (a) Effective October 1, 1980, part A of title
 24 VII is amended by inserting after section 711 the following:

1 “GRADUATE MEDICAL EDUCATION NATIONAL ADVISORY
2 COMMITTEE

3 “SEC. 712. (a)(1) There is established the Graduate
4 Medical Education National Advisory Committee (hereinafter
5 in this section referred to as the ‘Advisory Committee’). The
6 Advisory Committee shall consist of 23 members as follows:

“(A) A representative of the Public Health Service and a representative of the Health Care Financing Administration each designated by the Secretary, a representative of the Department of Defense designated by the Secretary of Defense, a representative of the Veterans’ Administration designated by the Administrator of Veterans’ Affairs, and the Chairman of the Coordinating Council on Medical Education shall each be ex officio members of the Advisory Committee.

16 “(B) The Secretary shall appoint 18 members
17 from individuals who are representative of providers of
18 health care, insurers and other payers of health care,
19 and interested national and local organizations.

20 “(2)(A) Except as provided in subparagraph (B), the
21 term of office of a member of the Advisory Committee shall
22 be three years.

23 “(B) Of the members first appointed to the Advisory
24 Committee after the date of the enactment of this section—

1 “(i) six members shall be appointed to serve for
2 terms of one year, and

3 “(ii) six members shall be appointed to serve for
4 terms of two years,

5 as designated by the Secretary at the time of appointment.

6 Any member appointed to fill a vacancy occurring before the
7 expiration of the term for which the member's predecessor
8 was appointed shall be appointed only for the remainder of
9 such term. A member may serve after the expiration of the
10 member's term until a successor has taken office.

11 “(3) Members of the Advisory Committee who are offi-
12 cers or employees of the United States shall serve without
13 pay. The other members of the Advisory Committee shall be
14 entitled to receive the daily equivalent of the annual rate of
15 basic pay in effect for grade GS-18 of the General Schedule
16 for each day (including traveltime) during which they are en-
17 gaged in the actual performance of the duties vested in the
18 Committee.

19 “(4) The chairman of the Advisory Committee shall be
20 designated by the Secretary from the appointed members of
21 the Advisory Committee.

22 “(5) The Advisory Committee shall meet at the call of
23 the chairman, except that the Advisory Committee shall
24 meet at least once every calendar quarter. Notice of meetings

1 of the Advisory Committee shall be made available to the
2 public and such meetings shall be open to the public.

3 “(6) The Secretary shall provide the Advisory Commit-
4 tee such support staff and administrative services as may be
5 necessary for the Advisory Committee to carry out its func-
6 tions under subsection (b).

7 “(b) The Advisory Committee shall—

8 “(1) advise, consult with, and make recommenda-
9 tions to, the Secretary with respect to—

10 “(A) the need for and supply of physicians in
11 the various medical specialties (including subspe-
12 cialties) and with respect to the geographic distri-
13 bution of physicians;

14 “(B) the factors which affect a physician’s
15 choice of graduate medical training and the loca-
16 tion of the physician’s practice;

17 “(C) the effect that—

18 “(i) the rate of reimbursement for health
19 care services provided by physicians in the
20 different medical specialties, and

21 “(ii) the availability of financial support
22 for persons undergoing graduate medical
23 education,

24 has on the selection of a medical specialty or
25 subspecialty;

1 “(D) the proportion of health services pro-
2 vided by persons undergoing graduate medical
3 education; and

4 “(E) such other matters relating to graduate
5 medical education as the Secretary may specify.

6 “(2) recommend to the Secretary goals for (A) the
7 distribution of physicians by medical specialties and
8 subspecialties, and (B) the number of graduate medical
9 education positions that should be available in each of
10 the medical specialties and subspecialties; and

11 “(3) recommend to the Secretary policies and pro-
12 cedures to achieve such goals.

13 The Advisory Committee shall inform the Secretary of the
14 data it will need to carry out its functions under this
15 subsection.

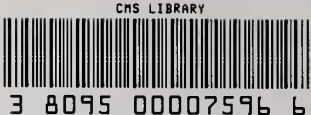
16 “(c)(1) The Advisory Committee shall consult with ap-
17 propriate entities, including the Coordinating Council on
18 Medical Education and its constituent members, concerning
19 appropriate actions to attain the goals recommended under
20 subsection (b)(2).

21 “(2) The Secretary may enter into contracts with public
22 and other nonprofit entities, including the Coordinating
23 Council on Medical Education and its constituent members,
24 to provide assistance to the Advisory Committee in carrying
25 out its functions under subsection (b).

1 “(d) The Advisory Committee shall consult with the
2 Health Care Financing Administration and private health in-
3 surance carriers concerning any changes in the rates of reim-
4 bursements for health services provided by physicians in
5 graduate medical education training programs and other
6 practicing physicians necessary to provide incentives to
7 achieve the goals recommended by the Advisory Committee
8 for the distribution of physicians by medical specialties.

9 “(e) The Advisory Committee shall submit to the Secre-
10 tary an annual report respecting the activities of the
11 Advisory Committee. The Advisory Committee shall include
12 in such report a description of the consultations undertaken
13 under subsections (c) and (d).”.

14 (b) A member of the Graduate Medical Education Na-
15 tional Advisory Committee established by the Secretary of
16 Health, Education, and Welfare on May 1, 1978, shall con-
17 tinue in office as a member of the Advisory Committee estab-
18 lished under subsection (a) for the term of office prescribed
19 for that member at the time of the member's appointment.



Union Calendar No. 601

96TH CONGRESS
2D SESSION

H. R. 7203

[Report No. 96-978]

A BILL

To amend the Public Health Service Act to revise and extend the programs for the National Health Service Corps and to revise and extend the programs of assistance under titles VII and VIII of such Act for the education of health professions personnel, and other purposes.

APRIL 29, 1980

Referred to the Committee on Interstate and Foreign
Commerce

MAY 15, 1980

Reported with amendments, committed to the Committee of
the Whole House on the State of the Union, and or-
dered to be printed